

TRADERS AND TAXIMEN IN QWAQWA:
A STUDY OF CLASS FORMATION IN A SOUTH AFRICAN HOMELAND
by
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Dissertation submitted for the degree
of Master of Arts (Social Anthropology)
University of Cape Town
July 1987

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ACKNOWLEDGEMENTS

The field research for this study was conducted between August 1984 and March 1985. The research was funded by the Human Sciences Research Council, the University of Cape Town and the Centre for African Studies at the same university. I am grateful to these institutions for supporting my work.

My greatest thanks and appreciation go to the traders, taximen and shebeeners around whom this study is written. Without the co-operation, kindness and patience of these people this study could not have been undertaken. I would like to extend a special word of gratitude to those shebeeners and pirate taximen who under constant threat of police harassment were prepared to trustingly take me into their homes. This hospitality could, however, not have been achieved without the assistance of my interpreters whose sensitivity to local situations and translations from Sesotho were indispensable to the study. I am also grateful to the fathers at the Roman Catholic Mission in Qwaqwa for their friendship and support.

In process of writing up the thesis I received valuable assistance from various members of the staff in the Department of Social Anthropology. I would like to extend particular thanks to my supervisor, John Sharp, for his careful readings, insightful commentary and encouragement in helping me complete this work. I would also like to thank 'Mugsy' Spiegel for taking a keen interest in my research, and to Julia Segar and Robert Thornton for helping me sort out computer 'mixups'. Within the Department my closest working relationship was with fellow student and fieldwork companion, Sakkie Niehaus. Others who deserve special mention are my brother Andrew, for his encouragement and technical assistance, Mariette for her patience and emotional support and my parents for their understanding.

ABSTRACT

This thesis is centred around the experiences of traders and taximen in Qwaqwa, the smallest of South Africa's 'homelands'. It aims to investigate the extent to which small-scale entrepreneurs of various kinds can be seen to be participating in processes of class formation within the homeland. The focus adopted directs attention away from the issue of poverty which has dominated rural research over the past decade. The thesis also seeks to contribute to existing studies of class formation in the homelands, which address the problem from the perspective of 'state' and 'capital'. This study seeks to broaden this focus through a historical analysis of social processes at the local-level. It argues that traders and taximen in Qwaqwa cannot simply be regarded as the recipients of state initiatives, but are agents in forging their own opportunities and relationships.

NOTES ON TERMINOLOGY.

In this study all names are fictitious, except those of public figures. This is in deference to the wishes of many of my informants who preferred to remain anonymous, and because it is the first responsibility of the anthropologist to protect the identity of the people with whom he or she works.

Many of the quotations attributed to the traders and taximen in the text are interpreter's translations from Sesotho or Zulu. Such translations have often been liberally transcribed and edited. Where Sotho phrases or words have been used I use the official orthography. I also use the term 'homeland' rather than 'bantustan'. Since neither term is satisfactory, I reflect my informants' usage.

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INTRODUCTION

This thesis is centred around the experiences of small traders and taximen in Qwaqwa, the official homeland of the South Sotho 'ethnic national unit'. The aim of the study is to trace the emergence of a small business sector in Qwaqwa since the 1970s and to understand the implications of this development for the process of class formation within the homeland. The central questions posed by the thesis are: To what extent can small business operators in Qwaqwa be seen to constitute part of an emerging homeland petty bourgeoisie? What are the most important economic and political factors that govern opportunities for accumulation within the small-scale sector? How do these factors promote or inhibit processes of class formation in Qwaqwa?

In attempting to answer these questions the thesis addresses the experiences and responses of storekeepers, shebeen owners and taximen to changing economic and political conditions in Qwaqwa during the 1970s and 1980s. The selection of these three categories of business operators for investigation is an attempt to cover the three major areas of consumer spending in Qwaqwa - food, transport and recreation. In adopting this focus a conscious effort was made to transcend the existing tendency to focus either on licensed traders (Hart 1972, Southall 1983) or on small illicit operators (cf. Jacobs 1982, Cross & Whyte 1983, Nattrass 1984) in the homelands. This polarisation has served to project an image that there are essentially two kinds of small business operators in the homelands: successful, licensed traders, who by virtue of their legal protection are able to control relatively large economic markets, and unsuccessful unlicensed operators, who compete for subsistence returns in

stagnant markets. By focusing on a wide variety of licensed and unlicensed traders and taximen in Qwaqwa, the thesis attempts to demonstrate the diversity of operations evident in both categories.

Secondly, the explicit emphasis on processes of social differentiation seeks to redress a broader imbalance that has emerged in rural research over the past decade. In addressing the recent literature on the homelands, it is evident that most of these studies have concentrated on the related questions of relocation, unemployment and poverty (cf. Carnegie Enquiry 1984). While these issues are central to the experiences of the vast majority of rural people in South Africa, it is also important to note that the fruition of the homeland policy has brought with it increasing differentiation in the rural periphery. Closer settlement villages, with their aspect of human suffering and misery, are not simply dumping grounds for the dispossessed, they are also havens for petty capitalists, corrupt bureaucrats and power-hungry chiefs. In broadening our knowledge of the rural life in South Africa, it is also necessary to focus more closely on the local beneficiaries of the homeland system.

The third major objective of the thesis is to contribute to an understanding of the regional specificity of processes in the rural periphery. The extensive coverage given to the Transkei in recent historical studies (Peires 1981, Beinart 1982, Bundy & Beinart 1987) and contemporary analyses of the rural reserves (Hammond-Tooke 1975, Stultz 1980, Streek & Wicksteed 1981, Southall 1983) has served to support an image of the Transkei as the typical South African homeland. Yet, when compared with other areas where rural settlement patterns are more congested and access to agricultural resources virtually non-existent, it

becomes clear that it is necessary to differentiate these areas systematically from each other. To achieve this it is necessary for scholars to engage in detailed historical and contemporary analyses in a variety of different areas. This study seeks to contribute to this project by attempting to explain the experiences and responses of traders in Qwaqwa through an analysis of local-level historical processes.

Conceptions of the Homeland Petty Bourgeoisie

In recent years there has been renewed theoretical interest in the 'middle class' in advanced capitalist countries. This interest has emerged primarily from the realisation that white-collar workers, located in large capitalist corporations and in the bureaucracy, have become an increasingly large and affluent segment of the work force in these societies. Most studies dealing with these new groups have evoked Weberian notions of bureaucratic rationalisation and middle-class development as basic conceptual tools and have refuted marxian conceptions of white-collar workers as part of the industrial proletariat (cf. Mills 1951, Dahrendorf 1959, Giddens 1971). In 1975, however, Poulantzas renewed interest among neo-marxists in the 'middle class' in advanced capitalist societies by attempting to rejuvenate Marx's original concept of the petty bourgeoisie, used consistently in his writing to refer to a transition class of small traders, artisans and craftsmen trapped between the 'two great hostile camps', the bourgeoisie and the proletariat. The petty bourgeoisie was seen as a class without independent political identity that oscillated between support for the bourgeoisie and the proletariat. For Marx this class would

eventually be eclipsed with the development of the forces of production and the intensification of class struggle.

Poulantzas (1975), in his reconsideration of the petty bourgeoisie, refutes both Weberian notions that the new intermediary strata in capitalist society can be seen to form an independent middle class, and neo-marxian suggestions that these strata can be subsumed within the working class (Renner 1953, Croner 1962). Instead he argues that the new strata of white-collar workers can be designated as a 'new' petty bourgeoisie on the basis that, unlike the industrial working class who are engaged in generating surplus-value directly through 'productive labour', this group is separated from the working class by virtue of their involvement in 'non-productive' labour (1975: 209-24). Poulantzas suggests that this group is also separated from the bourgeoisie because, "they have neither economic ownership nor possession of the means of production" (Ibid: 210). After identifying the 'new petty bourgeoisie', Poulantzas connects it with its smaller and less significant counterpart, the 'traditional' petty bourgeoisie, comprised of small owners, by suggesting that "they both have in common that they neither belong to the bourgeoisie nor to the proletariat" (Ibid: 206). He contends that this negative basis for association "does not just have a simple excluding role; it actually produces economic 'similarities' which have common political and ideological effects" (p.208).

Although Poulantzas' interpretation has come under criticism from other analysts of class formation in advanced capitalist countries (Carchedi 1977, Hirst 1977, Wright 1978), the renewed interest in the petty bourgeoisie has had an important impact on analyses of class and state in post-colonial Africa. The

pioneering works of Leys (1975), Mamdani (1976), Shivji (1976) and Saul (1979) in this field argue that the Africanisation of state structures in post-colonial East Africa has resulted in the emergence of a petty bourgeoisie located principally within the state apparatus. This class is seen to comprise a class of military officials, bureaucrats, intellectuals, teachers and traders. The material basis of this petty bourgeoisie takes the form of large government salaries, loans and, in the case of traders, direct state protection. But in spite of the ability of this class to use the state as a lever for the accumulation of property and wealth, they are unable to transform themselves into a fully fledged 'national bourgeoisie' as a result of the constraints placed on them by metropolitan capital, which retains control over the major industrial assets in these countries. In these terms the African petty bourgeoisie finds itself in an ambivalent position insofar as it is able to control the state, but not the economy. Leys (1979), in reviewing the literature on the new African petty bourgeoisie, maintains that:

The petty bourgeoisie so defined is thus a different concept from that of Marx. This does not necessarily mean it is inept, but it does mean that its political implications cannot be taken for granted. Whereas Marx's petty bourgeoisie played an ambivalent political role vis-a-vis the developing bourgeoisie and proletariat, it is less likely to be true for the 'petty bourgeoisie' as the term is used [in the East African debates] (1979: 46).

For Leys (1979) this petty bourgeoisie, by virtue of its position within the state, is politically more conservative and economically more mobile than its earlier European counterpart. In this context the central question for participants in the East African state debate is where, and under what conditions, will this petty bourgeoisie be able to transform itself into a 'national bourgeoisie' by manipulating the resources within the

state to seize control of major economic assets? Of particular significance in this regard is the extent to which the African ruling class or classes is prepared to collaborate with the interests of the metropolitan bourgeoisie (cf. Sandbrook 1982: 81-120).

Although the literature on class formation in the homelands is both sketchy and regionally specific, there is a clear continuity between the latter discussions and those which focus on the homelands. Besides the early work of Charton (1976) on the Transkei, which attempts to explain the increased social stratification in the homeland in terms of elite theory - political and economic development is manifested in growing competition between a 'traditional' and 'modern' elite - the other works in this area (Innes and O'Meara 1977, Southall 1977, 1983) draw direct inspiration from the East African state debates. Innes and O'Meara (1977), in attempting to avoid the pitfalls of Charton's analysis, which conceptualises local elites in the Transkei outside of their relationship with the South African state, develop a class analysis based on the changing position of the Transkei in the South African political economy. In line with Molteno's (1977) distinction between the Reserve and the Bantustan strategies, Innes and O'Meara suggest that since the 1960s the South African state's attempts at restructuring the relations of exploitation in the rural periphery have spawned processes of class formation similar to those which have occurred in other African countries. They argue that the Africanisation and expansion of the local bureaucracy, designed to assist the tribal elite with political repression and labour control have formed the basis for the emergence of a 'new' petty bourgeoisie in the homeland. This group, comprised of

bureaucrats and teachers, is seen to exist in alliance with a 'traditional' petty bourgeoisie, comprised principally of rural storekeepers, whose activities were directly sponsored and protected by the state-run Development Corporations. Innes and O'Meara suggest that members of the new petty bourgeoisie in the Transkei existed in an ambivalent relationship with the South African state, representing the interests of white capital: On the one hand, the interests of both fractions of the petty bourgeoisie are increasingly tied to the apartheid state, on the other, the failure of the state to act decisively in their interests through a commitment to the expansion of existing services and facilities may generate severe antagonisms towards the state (1977: 78).

In addition to the two petty bourgeois groups, these authors argue that by 1976 a small 'collaborationist bourgeoisie' had emerged in the Transkei, comprised of landholding chiefs engaged in capitalist agriculture. This group were seen to receive unambiguous support for the state and, therefore, tended to be politically more compliant than their lesser class allies. Finally, Innes and O'Meara conclude by investigating the possibility of a 'national bourgeoisie' emerging in the Transkei, but reject the notion by suggesting that the prerequisite process of large-scale capital investment in the Transkei seemed unlikely given the continued status of the area as a labour reserve for white capital.

Southall (1983), in his more recent analysis of the Transkei endorses the above viewpoint, but places less emphasis on the importance of capital accumulation in the class formation process. He argues that the upper strata of Transkeian society can be seen to constitute an 'auxiliary bourgeoisie' comprised of

chiefs and politicians. In broadening the definition of this group, Southall rejects Innes and O'Meara's suggestion that their material basis is founded in capitalist agricultural production. Instead, he maintains that, as a political elite, they are primarily dependent on the financial resources that circulate in the form of salaries, loans and contracts (1983: 175). He notes, for instance, that the salaries of Legislative Assembly members in the Transkei have increased fivefold between 1964 and 1977 (1983: 174). This core collaborationist group is seen to be flanked by various petty bourgeoisie elements, including professionals, traders, teachers and bureaucrats, who render support and legitimacy to the ruling class in return for material rewards, either directly through state salaries or indirectly through patronage and protection. In his analysis of these groups, Southall discards Poulantzas' distinction between the 'new' and 'traditional' petty bourgeoisie, by maintaining that these elements have hitherto remained relatively fragmented (1983: 195). He suggests that the importance of organisations, such as the exclusive Public Servants Association and the Transkei Chamber of Commerce in negotiating the material benefits of collaboration serves to exacerbate occupational fragmentation in this class. Southall concludes his analysis by suggesting that, while the structural position of the petty bourgeoisie in the Transkei necessitates collaborationist politics, the possibility of a class alliance between elements on the fringe of this class, migrant workers and school pupils cannot be excluded.

Although the above analyses provide a useful profile of class formation in the Transkei, these studies have at least two major limitations. The first relates to the preoccupation with assessing whether or not the Transkei is susceptible to the

formation of a 'national bourgeoisie'. This question, while of some importance in countries like Kenya and Uganda, seems to be of very little relevance to our understanding of the South African homelands, since the answer is both too obvious and too narrow. It is obvious because, as Wolpe and Legassick (1977) have pointed out, as long as the homelands retain their function as labour reserves to the wider South African economy local class formation must occur within this framework. This standpoint is supported by Southall (1983) who argues that, in spite of Innes and O'Meara earlier suggestions, while certain fractions of the homeland petty bourgeoisie are increasingly becoming engaged in sustained accumulation in agriculture, the motor for class formation in the post-'Independence' period remains disposable state salaries and home loans. The second problem with this question relates to its explicit emphasis on 'national' economic development. In the South African context, where intense economic interaction occurs between the rural reserves and the urban metropolitan areas, this becomes a dangerous endeavour. One cannot, it seems, analyse rural class formation in South Africa without considering the resources and skills, such as education and capital, which are imported from urban areas. In fact, Southall (1980) in another paper, accepts this when he attempts to show that the South African state has gone to great lengths during the 1960s and 1970s to ruralise the urban African petty bourgeoisie.

This raises the other major problem with these studies, namely that they seek to explain class formation purely in terms of changing state initiatives in the Transkei. This statist focus directs attention away from the dynamic of class at the local level, and ignores the possibility of small-scale capital

accumulation outside of state patronage. The latter limitations are clearly demonstrated by conditions in Qwaqwa, where business licensing and state support have been restricted to select categories of commercial undertakings. In this context the use of a state-based analysis fails to recognise the existence of local entrepreneurs in unprotected economic markets. Indeed, the very nature of state protection for rural entrepreneurs is open to question. Nolutshungu (1982) has, for instance, recently denied that the creation of a black 'middle class' outside of the bureaucracy has been a conscious aim of state policy in the homelands. He suggests that this process has largely been an unintended consequence of attempts to rationalise broader capitalist development and to control black labour. Although Nolutshungu (1982) has been criticised for stating the point too strongly (Hirsch 1984), it nevertheless remains true that a significant number of black entrepreneurs in rural areas are engaged in processes of capital accumulation against the grain of state policy.

In addition to the failure of state-based analyses to consider the emergence of petty bourgeois elements outside of state structures, this type of analysis also errs insofar as it attempts to deduce class and occupational consciousness solely from the relationship of different homeland beneficiaries with the South African state (ie. chiefs are strongly collaborationist because the state has guaranteed them handsome material rewards, while teachers are more likely to seek alliances with migrants and students because their material rewards have been less generous). Yet, it is impossible to understand class or occupational consciousness in these terms alone. Class consciousness and action can only be arrived at through an

historical analysis of the local level experiences and responses of class agents. As E. P Thompsons so eloquently puts it: "Class is defined by men and women as they live their own history, and in the end this is its only definition" (1963:10). Attempts to deduce the political consciousness of the homeland petty bourgeoisie from the perspective of state policy, denies the extent to which these individuals forge their own opportunities and identities at the local-level, and ignores the kinds of relationship they develop with other classes or groups.

In view of the above criticisms the present study seeks to elucidate the process of class formation at the local level by engaging in a detailed analysis of 80 small traders and taximen in Qwaqwa. I make no assumptions about the class position or political consciousness of these operators, but rather pose these as central questions for investigation and as issues that can only be illuminated through the actual experiences of the operators themselves.

My analysis of these groups focuses specifically on the 1970s and early 1980s, a period characterised by mass population relocation in Qwaqwa and the rapid unfolding of homeland self-government. Through an analysis of this period I will attempt to explain the conditions under which commercial opportunities who emerged in Qwaqwa, and consider how they have been shaped by the South African state, the Qwaqwa administration and the interests of white capital. I will focus on the kinds of individuals who have been able to exploit these opportunities by investigating their origins and exposure to changing conditions in the homeland. More importantly though, the thesis will address the ways in which these business operators have struggled individually and

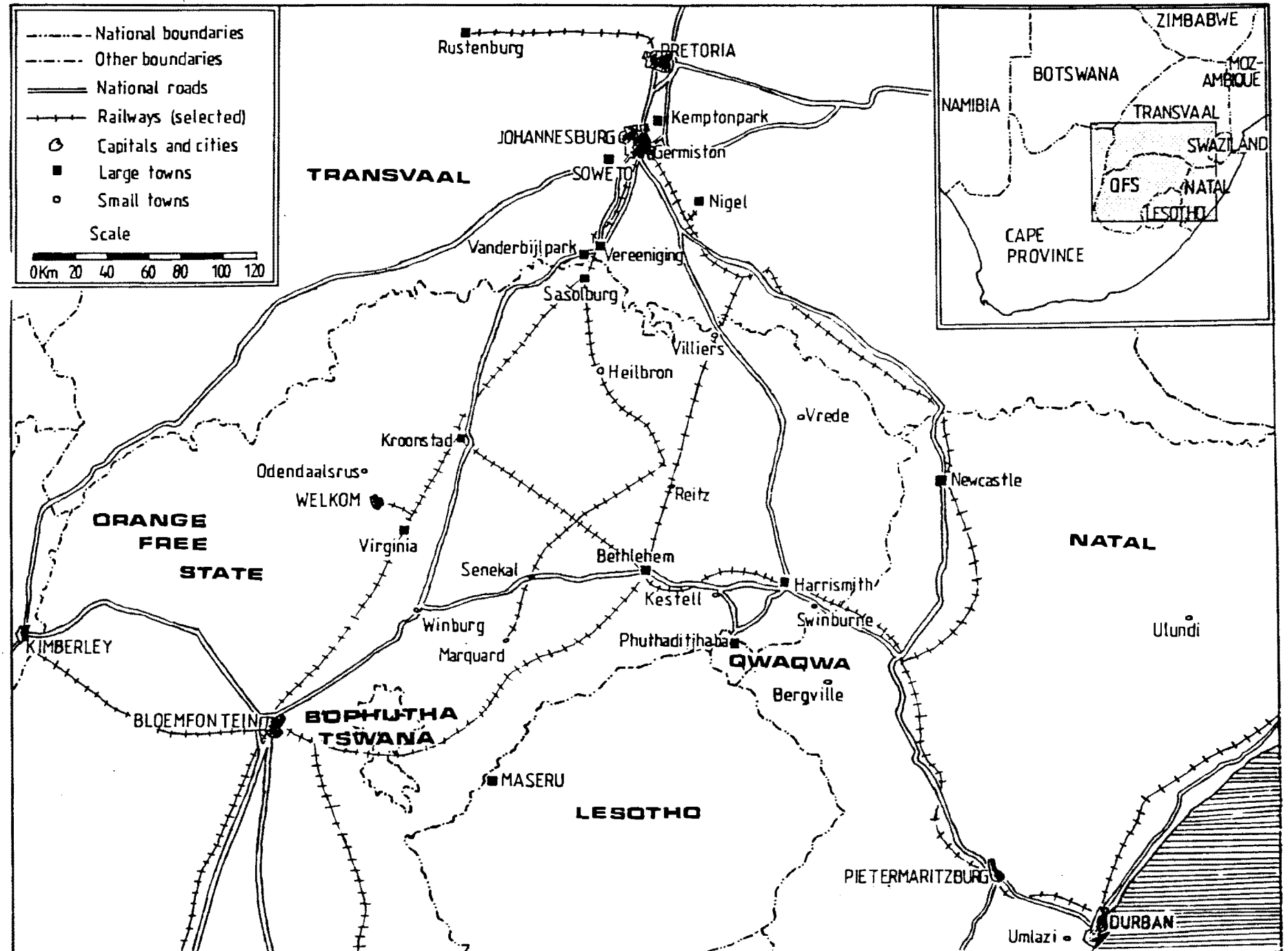
collectively to retain and expand their control of scarce resources. In attempting to understand these struggles, I consider the various social and economic relationships business operators established with other groups and classes within and beyond Qwaqwa. This multifaceted analysis of the experiences of traders and taximen in Qwaqwa aims to transcend the tendency in existing studies of homeland class formation to distill the process through a generalised analysis of capital and state in South Africa. By looking beyond the mere structural determinants that govern life in rural areas, and taking seriously the ways in which individuals formulate their own strategies and responses to these conditions, the present study seeks to enhance our understanding of both the regional specificities and the generalities of class formation in the rural periphery.

Qwaqwa: Some Basic Characteristics

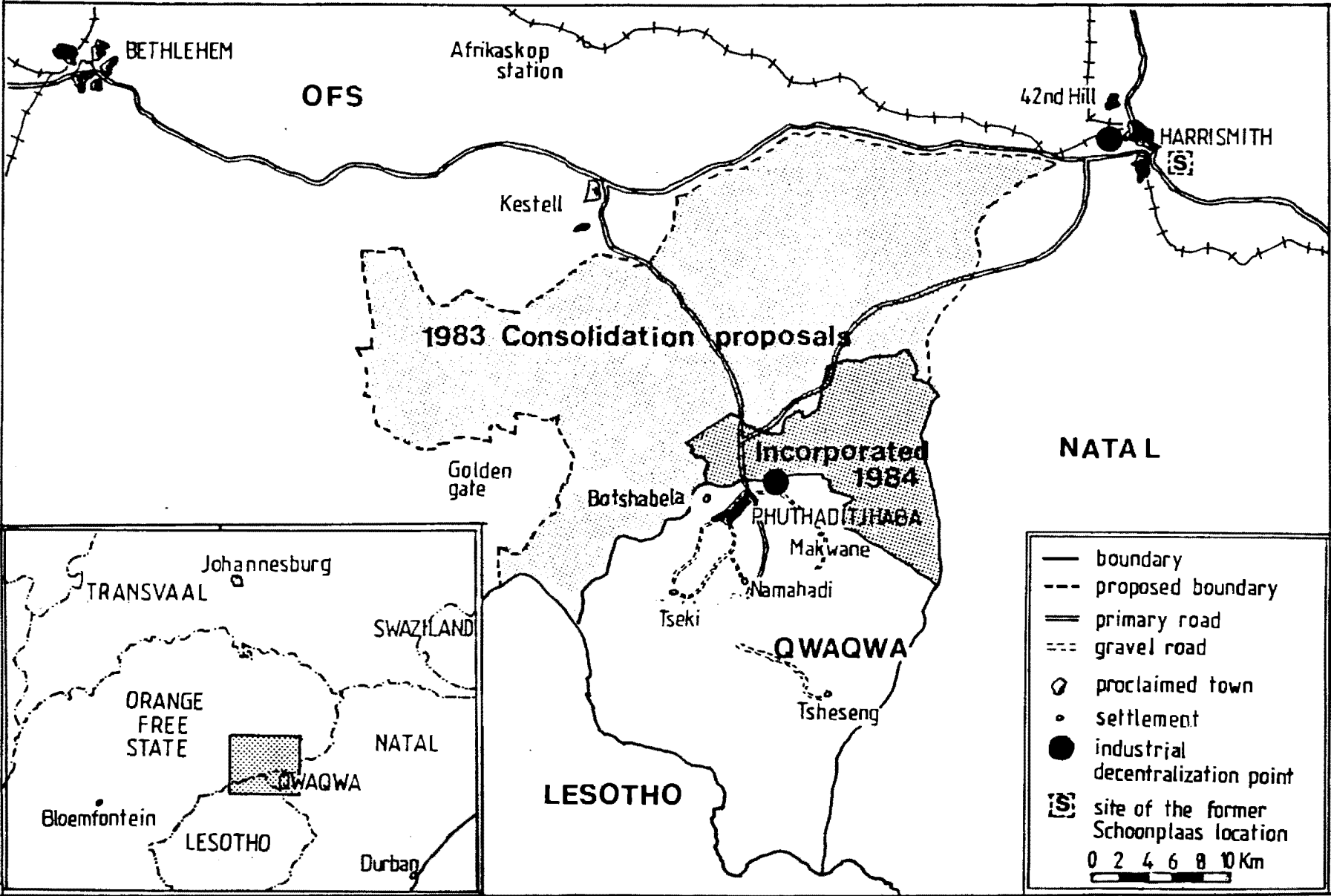
Qwaqwa is located at the juncture of Lesotho, Natal and the Orange Free State (see map 1.1). It is the smallest of the South African homelands and covers an area of 48 234ha (480 sq kms) of mountainous terrain. At present gradual attempts are being made to triple the size of the homeland through the incorporation of white farmlands in the Harrismith, Kestell and Golden Gate areas (see map 1.2).

The pressing need for more land in Qwaqwa must be seen in terms of the massive influx of population into the area over the past 15 years. In 1970 Qwaqwa's de facto population was officially recorded as 23 860 (Benbo 1978). By 1980 the same source placed the population at 215 669, although local officials suggested that it had reached 300 000 by then (Murray 1980). Sharp and

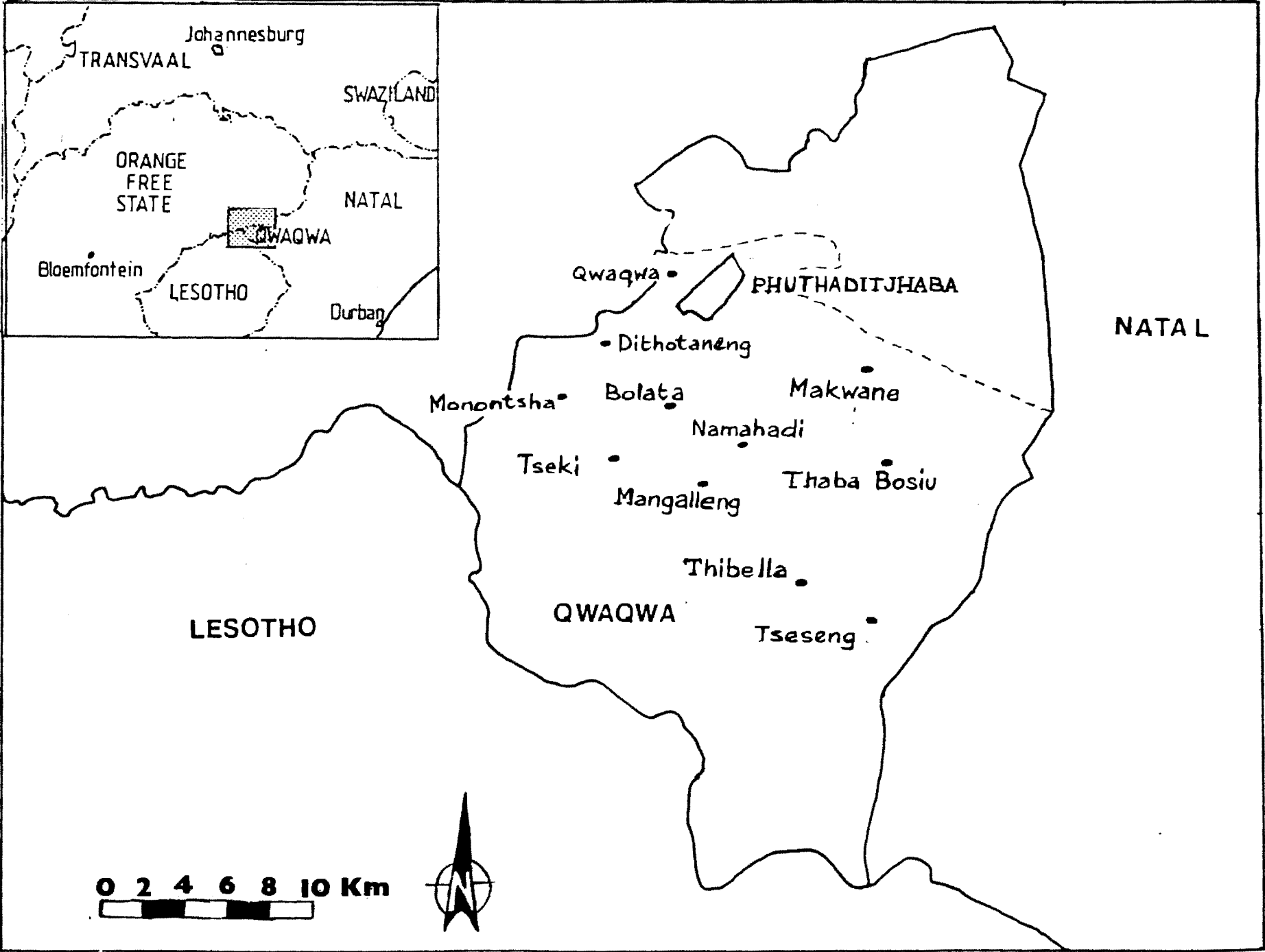
MAP 1: QWAQWA AND SURROUNDING AREAS



**MAP 2: QWAQWA IN RELATION TO BETHLEHEM, KESTELL,
AND HARRISMITH**
Source: QDC (1985: 14)



MAP 31 QWAQWA: TOWNS AND VILLAGES



Martiny's (1984: 4) more recent estimate, based on reliable local informants, suggests that the population had risen to approximately 500 000 by 1983. In other words, Qwaqwa's population has grown by nearly 2 000% since 1970, and assuming that only half of the reserve's mountainous terrain is inhabitable, it would have a population density close on 2 000 people per sq. kilometre.

The massive influx of people into the area derives from two major sources: farm removals and urban relocations. The vast majority of the new immigrants in Qwaqwa, possibly as many as 80%, arrived in the area as refugees from white-owned farms, where they had been made redundant with the introduction of mechanised farming techniques (cf. Sharp 1982). These individuals were settled in closer settlement camps, of which there were 76 in 1984 (Niehaus 1987: 18). Most of the remaining population arrived in the area as a result of various forms of urban relocation and were housed in Phuthaditjhaba, the only town, and the capital of Qwaqwa (Robins 1982, Bank 1984). This location of urban refugees in the town, close to labour recruiting points and a number of local industrial job opportunities, has enforced a broader division in the homeland between town and country.

The system of political control in Qwaqwa is based on the existence of two tribal authorities and a general Legislative Assembly, created in 1969. The Batlokwa and Bakwena tribal authorities were constituted in 1951 under the Bantu Authorities Act and the Legislative Assembly in 1969 when Qwaqwa became a Territorial Authority. In 1974 the homeland entered the second phase of self-government and was given powers to pass its own legislation (subject to Pretoria's approval). In 1975 elections were held for positions in the Legislative Assembly. These

elections were dominated by the Dikwankwetla party, who returned to power in 1980 and 1985 under the incumbent Chief Minister T.K. Mopeli.

Economic development in Qwaqwa since 1970 has been slow. The creation of an industrial area on the outskirts of Phuthaditjhaba has been the main achievement in this sphere. In 1984 local factories employed approximately 4 500 people at low wages (60% earning less than R60 a month). The rest of Qwaqwa's population gain their livelihood through migrant and commuter employment outside the homeland. In 1981 central government sources claimed that there were 37 500 migrants in Qwaqwa and Onverwacht, an unincorporated enclave of the homeland near Thaba'Nchu (Sharp & Martiny 1984: 10). There were also an estimated 2 500 commuters travelling from Qwaqwa to the neighbouring towns of Harrismith and Bethlehem on a daily basis (Ibid). In the sphere of local commercial development, 477 business licences had been granted to Qwaqwa citizens by 1984. The services of these individuals were augmented by a number of white commercial firms, who provided both wholesale and retail facilities in the area. Their activities were closely linked up with the Qwaqwa Development Corporations shopping centre programme, launched in 1980.

Outline of the Thesis

In the light of my commitment to understanding the experiences of small traders within my sample in their local historical context, this thesis begins with a broad historical overview of the three commercial sectors under consideration. This discussion seeks to trace the origins and development of the retail, transport and

liquor sectors in Qwaqwa since the turn of the century, paying particular attention to the rapid changes in consumer demand and black commercial participation after 1970.

Chapter Two leads from this discussion of economic change in Qwaqwa by focusing specifically on the role of traders in the political development of Qwaqwa. The chapter concentrates on the changing and unstable relationship between traders, the ruling Dikwankwetla party and the Qwaqwa Development Corporation (QDC) in the period 1974 to 1984. On the basis of these two contextual chapters the thesis addresses itself to experiences of taximen and traders within the sample. Chapter Three deals with the ways in which individuals from different social and economic backgrounds were seen to enter commerce in the homeland. By looking at the experiences of different categories of individuals, the chapter seeks to periodise commercial access within the homeland since 1970. Chapter Four concentrates on the experiences of traders and taximen once they are established in business. It seeks to explain some of the structural forces governing processes of capital accumulation in the homeland, as well as the economic responses of individuals to these forces. Chapter Five focuses specifically on the position of women in commerce. It considers the extent to which women are restricted in commercial participation by overlapping systems of male domination and seeks to explore some of the strategies devised by them to circumvent these limitations.

Chapters Six and Seven address themselves to the relationships traders and taximen have developed with other social groups and classes in Qwaqwa. In this discussion I introduce the notion of patronage as a tool whereby different kinds of social and

economic interactions can be analysed. The conclusion draws together the central arguments of the thesis by comparing class formation in Qwaqwa and the Transkei. I will attempt to highlight some of the important economic and political difference associated with the emergence of a commercial petty bourgeoisie in these areas.

CHAPTER ONE

CHANGING PATTERNS OF TRADE: AN OVERVIEW OF THREE COMMERCIAL SECTORS*

This chapter has two major objectives. Firstly, it seeks to provide a broad historical overview of the three commercial sectors under discussion in this dissertation by tracing their roots back to the days when Qwaqwa was a small, insignificant appendage to the larger Basotholand labour reserve. The purpose of this discussion is to demonstrate the regional specificity of commercial developments in Qwaqwa, which will facilitate comparison with other areas. The second objective of the chapter is to clarify some of the important short term historical changes which have influenced conditions in the retail, transport and liquor trades in Qwaqwa since the advent of homeland self-government in 1969. The latter discussion will concentrate on the crucial role of mass population relocations to Qwaqwa in the 1970s in generating commercial opportunities, and will highlight the impact of changing licencing procedures on the structure of commercial opportunities in the region. This selective local-level historical analysis is intended to provide more than a simple historical introduction to commerce in Qwaqwa; it attempts to provide a structured context for the more detailed theoretical and ethnographic discussion presented in subsequent chapters.

The chapter will be divided into three sections corresponding to each sector of commerce under consideration. This technique is

* The data presented in this chapter are based on a combination of oral testimonies, government commissions, missionary reports and secondary sources. In view of the limited objectives set out in the chapter, it was considered unnecessary to consult detailed archival material.

necessitated by the very specific and contrasting conditions that have governed the development of the retail, liquor and transport trades in the homeland. In the conclusion I will highlight some of the common patterns that emerge from these separate discussions and place them in a comparative framework.

THE RETAIL TRADE

Retailing in Witsieshoek 1913-50

The first itinerant European traders arrived in Witsieshoek shortly after the establishment of an Dutch Reform mission station in the reserve in 1874 to barter blankets and agricultural implements for hides, wool and skins [1]. These traders seldom entered the reserve but set their wagons up on adjacent white-owned farms. Among the earliest of these traders was an Englishman, Arthur James Gray, who entered the Witsieshoek barter trade in the late 1870s after his wool-washing business had gone bankrupt in Harrismith. Gray's knowledge of Sesotho and his experience in the wool trade enabled him to establish a close rapport with the incumbent Bakwena Paramount Chief Paulus Mopeli, who offered him a site in Namahadi village in 1886 to set up the first white trading store in Witsieshoek. Chief Mopeli's interest in establishing white traders in the reserve, as Badenhorst (1944) points out, derived largely from the profits he was generating by reselling European merchandise across the Drakensberg. In 1878 Paulus Mopeli was allegedly questioned by the Harrismith police for his involvement in smuggling hats and concertinas into Basotholand (Ibid: 145).

The Witsieshoek trade in the 1880s was, however, not confined to trinkets and the periodic flow of agricultural goods across the Basotholand border. Keegan (1986: 204) notes that the opening up of a market for foodstuff on the Witwatersrand in 1886 resulted in an unprecedented increase in the grain trade in northern Basotholand. He maintains that in April 1889 some 650 wagons were passing through Senekal with bought or bartered Basotho grain (Ibid). In combination with this development, local missionaries in Witsieshoek pointed out that the expansion of the mission also stimulated consumer demand. Rev Ross, Head of the NG mission in the 1880s, noted that:

The mission brought civilisation and civilized ideas, and these ideas encouraged trade, and increased trade assisted the state. One shopkeeper once explained to me that: "If it was not for the work of the mission I would not be able to do as much business as I am doing in Witsieshoek. I sell more clothes now than ever before, as well as all sorts of other things" [translation from Afrikaans] (Ross 1930: 90).

But if local trade in Witsieshoek was being stimulated during the 1880s, it grew more rapidly after 1890 with the growth of the wool trade in the northern eastern OFS and Basotholand. The completion of the rail connection between Harrismith, some 40 kms from the reserve, and Durban in 1894 provided new opportunities for participation in the export wool market to augment increasing grain profits. As a result of this development new white traders were attracted to Witsieshoek and in the early 1890s Charles Stevens, a leading entrepreneur from Aliwal North, opened a store in Witsieshoek. Keegan (1980: 207) notes that, after 1889, "with the help of a loan of 4 000 pounds from his father, a London merchant, Stevens quickly became the most important trader in the northern districts [of Basotholand]". The incorporation of Witsieshoek into a wider trading network by 1890 also opened up opportunities for black entrepreneurs, especially in the area of

transport riding. According to local informants, most of the senior chiefs in Witsieshoek from the mid-1890s onwards owned wagons, which they hired out for the transfer of grain and wool to Harrismith [2].

By 1900 trading conditions in Witsieshoek had, however, begun to deteriorate. This was related primarily to the devastating effects of drought and rinderpest in northern Basotholand, but was also influenced by the election of Ntsane Mopeli as the new Bakwena Paramount in 1897. Ntsane Mopeli, unlike his predecessor, was opposed to all forms of white intervention in Witsieshoek. His antagonistic attitudes, Badenhorst (1944: 220) suggests, emerged after the OFS Volksraad evicted 233 Basotho families from the reserve in 1898 to meet the labour demands of Harrismith farmers. The spread of white trading interests into the inaccessible Basotho highlands during this period also came as a severe blow to Witsieshoek traders, who relied heavily on Basotho wool and grain caravans from the Mokotlong district (Walton 1958: 44). However, while these factors decreased white trading interests in Witsieshoek, they seem to have stimulated local entrepreneurial activity. From the end of the Anglo-Boer war, it is reported that groups of women, many of them liquor traders, hired wagons to transport fresh produce, baskets, calabashes and pottery into the locations of neighbouring towns to exchange for second-hand clothes, blankets and cooking ware. These activities were, however, only conducted on a seasonal basis [3].

By the time of the 1913 Land Act, Keegan (1986: 214) notes that, the orientation of white trading stores in Basotholand was being transformed by the decline of the Basotho peasantry and the growth of labour migration. In Witsieshoek the shift towards a labour migrating and food-importing economy was already evident

by 1914 with the influx of farm workers into the reserve. Chief Ntsane complained to the 1914 Beaumont Commission that:

I would very much like the people outside to come to Witsieshoek, but there is no land available for ploughing. I have heard that some of my tribal people outside the reserve are very much ill-treated, and I would like them to come here, but there is no place for them to plough (UG 22-14: 66).

Reporting to the same commission, Acting Commandant Clark, explained that landlessness was leading to greater labour migration to the mines. He explained that poor wages and working conditions on the farms had resulted in unmarried men travelling to the Transvaal to earn higher wages to buy cattle (Ibid). The formation in 1914 of the Leihlo la Sechaba Association, designed to safeguard the interests of absent migrants, provides further evidence of expanding labour migration (Quinlan 1985: 25). But in spite of increased cash flow and rising consumer demands, trading profits were disrupted by supply shortages during the war (1914-18) and the influenza epidemic that claimed 400 lives in Witsieshoek in 1918 (Ross 1930: 72). In response to these factors, Charles Stevens sold his store in the reserve in 1916 [4].

After the war conditions improved dramatically. The rejuvenation of the Basotholand wool trade, as well as the death of Ntsane Mopeli in 1917, provided new incentives for white traders to invest in the reserve. In 1918 George Brand, an ex-serviceman from the Eastern Cape, struck an agreement with Baklokwa chieftainess Eva Mota to set up a store in Tseseng village. A year later the Bannock family set up another store at Elands' Drift in the vicinity of Namahadi. The Gray family also expanded their activities in the Bakwena area by opening two new stores in Matsoekeng and Makeng in the early 1920s, and by 1925 they owned four of the six trading stores in the reserve (see Table 3.1).

But the ascendancy of the Gray family emerged in the context of declining Bakwena power in the reserve. In 1925, for instance, Eva Mota managed to exploit a personal dispute with the Bakwena Paramount to obtain a 'Batlokwa' territorial identity in the reserve (Quinlan 1987: 34). This development restricted the Grays, who had aligned themselves with Bakwena political interests, from expanding further in the reserve and enabled the Brands to consolidate their interests in the Batlokwa area. This division of trading interests along ethnic lines caused considerable tension between the two families.

The disputes between the Grays and the Brands revolved around the wool trade, although growth did occur in the local consumer market. Ross highlights this in his characterisation of the state of reserve agriculture in 1930:

Now...the reserve is full of bare patches, the roads are potholed and the best top soil has been washed away. The land is increasingly unfertile, and not enough is being cultivated to feed the reserve's population [translation from Afrikaans] (1930: 5).

The 1932 Native Economic Commission reached similar conclusions, in noting a 20% drop in agricultural yields since 1914 and a sharp decline in the quality of stock kept (UG 22-32:177). These conditions were exacerbated by a steady inflow of 'old and poor' farm workers who increased the population from 5 000 in 1913 to 8 000 in 1930 (Ibid: 88).

But in spite of growing proletarianisation, the main interest of white traders in the 1930s remained focused outside Witsieshoek in the Basotholand wool trade. During the 1930s the number of livestock grew phenomenally in Basotholand: in 1935 the Director for Agriculture claimed that there were twice as many stock being kept as the country could hold (Smit 1968: 35). This greatly stimulated the seasonal influx of Basotho merchants into the

reserve, resulting in separate negotiations by the Brand and Gray families with representatives of the Native Board in Witsieshoek for grazing camps along the key mountain passes. In the mid-1930s the Board agreed to allow them access to 20 morgan grazing camps along entry points from Basotholand in their respective areas (UG 26-51:28). The concentration of commercial undertakings in Witsieshoek in the hands of these families after 1920 is illustrated in the following table:

Table 3.1: White trading expansion in Witsieshoek 1913-40

Purpose of occupation	Owner name	Location	Size acres	Date of occupation
Storekeeper	G. Brand	Tseseng	-	20. 5. 1917
Storekeeper	W.H.Bannock*	Elands-drift	10	12. 3. 1919
Storekeeper	G. Gray	Matsoekeng	10	3.12. 1920
Storekeeper	C.M. Gray	Makeng	10	28. 7. 1923
Storekeeper	H.S. Elliot+	Thaba Tsoeu	12	1930's
Blacksmaith	G. Gray	Namahadi	12	4. 4. 1935
Storekeeper	G. Brand	Makheneng	10	28. 7. 1935

[Source: Badenhorst 1944:7]

Notes: * This store was taken over by D. Vorster, husband of Connie Gray, during the 1920's

+ Oral evidence suggests that H.S. Elliot managed this store on behalf of George Brand during the 1930's

The ability of the above two families to dominate the retail market in Witsieshoek was also related to the restrictions OFS licensing authorities placed on black commercial advancement [5]. Local dissatisfaction with licensing procedures was expressed at

the 1939 meeting of the Witsieshoek Native Board. The incumbent Bakwena paramount, Charles Mopeli, claimed that the situation had gone beyond the need for equal opportunities:

It is the earnest desire of the native that he should be protected by legislation from the white traders who are anxious to monopolise business and trade in the area (Badenhorst 1944: 197).

Chief Ratsane Mopeli, local headman and competitor of Charles Mopeli, stated:

If I were in power I would not allow local traders to occupy any more sites than those they presently occupy, because there are natives who desire to trade (Ibid).

These complaints, together with growing ministerial pressure on OFS local authorities, resulted in the first licensed black trading stores being set up in Witsieshoek: one butcher and two general dealers in 1939 (Ibid:7). But these concessions made little impact on the profits of white traders. Kok (1965: 69) maintains that between 1945 and 1947 more than 750 000 pounds of wool and 26 000 pounds of mohair were brought across the Namahadi pass from Basotholand. In addition, the white traders enjoyed locational advantages over their undercapitalised black competitors. They also controlled extensive credit networks which obliged consumers to use their stores. Charles Mopeli had anticipated that black entrepreneurs would not advance unless they could do so at the expense of entrenched white interests. His prediction was validated in the 1940s when declining yields associated with agricultural 'betterment', land redistribution and cattle culling prevented those black farmers with land from ploughing agricultural profits into commerce.

The Decline of White Commerce after the Witsieshoek Rebellion

By the late 1940's the growing discontent among reserve inhabitants with state imposed 'betterment' schemes generated powerful anti-white feeling in Witsieshoek. This was manifested in the growth of African Independent Churches, described by missionaries as having 'bolshevik' leanings, and the establishment of a new militant faction of Leihlo le Sechaba, Lingangele ['Those who stand firm'] (Quinlan 1987:34). Interviews with white traders revealed that they were often threatened by radical groups, especially Lingangele whose blanketed horsemen would often stop their vehicles on local roads. Heightened local resistance to 'betterment' culminated in the Witsieshoek Rebellion in 1950 led by local Bakwena chief Atwell Mopeli (cf. Maroney 1976, Hirson 1977, Lodge 1983). The Rebellion, dubbed by Lodge (1983) as "a desperate final act of resistance to proletarianisation", saw the death of more than twenty local inhabitants at the hands of an SAP commando, and scores of others fleeing to Basotholand to avoid police follow-up operations.

From the point of view of white traders in the reserve, the Rebellion marked the end of a prolonged era of prosperity and growth. The association of white traders with the activities of the state resulted in a partial consumer boycott of white stores in 1951. More significant for the white traders than this minor interference were the recommendations of the Commission of Enquiry into the Witsieshoek disturbances, which stated that white trading concerns should be abolished in the region as their activities were inhibiting black entrepreneurial development (UG 26-51). The Commission of Enquiry also maintained that local residents of Witsieshoek were vehemently opposed to the wool

trade, and pointed out that the regular movement of Basotholand herders into the reserve depleted grazing resources and interfered with agricultural production (Ibid).

As a result of these recommendations SAP patrols were set up at the Namahadi and the Monontsha passes in the mid-1950s to restrict entry into the area. Wool merchants wishing to enter the reserve were now required to carry a letter of authorisation from their village chief providing a description of their merchandise (Mapena 1970: 16). Faced with these restrictions, which exposed them to bribes from both border post officials and local chiefs, wool merchants began to look to the marketing structures available in Basotholand (Smit 1968: 39). Mapena (1970: 17) notes that by the 1960s, only the modingwana (dagga) merchants from the Mokgotlong district continued to evade police patrols on the Namahadi pass.

The turn about in the wool trade significantly reduced the advantage white traders had over their local competitors. The Gray family, who suffered most from the border restrictions, attempted to salvage their interests in the trade by purchasing three OFS farms - Rhebok, Highlands and Caledonia - accessible to merchants crossing the border near the Golden Gate Nature Reserve. But this attempt to divert the wool trade was thwarted in 1966 when Basotholand took its independence and tighter border controls were introduced. The waning profits of white traders were further threatened by the activities of the Bantu Investment Corporation (BIC), which sought to hand over all individually owned white trading stores to local residents. In 1967, after the death of George Albert Brand in Tseseng, negotiations began for the transfer of Brand's holdings to the BIC. This transfer was

finally concluded in 1972 (QLA 1974). Gray family interests were, however, registered under the Companies Act and as such could not be expropriated. But, in spite of their survival, the family business was in rack and ruin by the late 1960s. Arthur Gray (Jr), presently manager of Qwaqwa store, maintained:

At the end of the 1960s the family business was on the verge of collapsing. Most of the family were moving out of Qwaqwa because they felt that we would be ruined without the wool trade. It was a very difficult time for the us. I am sure that without the changes that occurred after the 1970s we would have gone bankrupt.

The gradual eclipse of white trading interests during the 1950s and 1960s, however, was not accompanied by rapid commercial expansion by local entrepreneurs. Retail licensing for blacks in Witsieshoek proceeded extremely slowly after 1939. Indeed, by the late 1960s there were still only about half a dozen licensed black storekeepers in the Reserve (Mapena 1970). The formation of the BIC, heralded by Molteno (1976) and Southall (1983) as a driving force behind black middle-class formation in the Transkei, did little to promote black traders in Witsieshoek. Informants and parliamentarians were unanimous in their condemnation of the BIC, depicting it as an exploitative arm of the white state which collaborated with conservative white licensing officials to control homeland commerce. I quote some perceptions of the BIC recorded during my research:

I would like to state emphatically that the BIC is here for its own good and not for ours - Qwaqwa trader 1974.

Applications by the BIC to set up businesses here have not reached the tribal authorities at all, yet their concerns are all over and will continue to be all over Qwaqwa if nothing timely is done - Bakwena chief, 1974.

I would like to know why it happens when one applies for a certain business, then, when you wipe your eyes, you see the BIC is opening such a business - Qwaqwa MP, 1974.

The policy [of Separate Development] is that we have to rule ourselves according to our customs. But whilst we are trying the

BIC comes along and does what it pleases...We have been given the BIC to develop us so that when we are developed it can destroy us - Qwaqwa MP, 1974.

The BIC was like a hawk among chickens...it was a monster here to swallow us - Qwaqwa storekeeper, 1984.

As these remarks suggest the chief aim of the BIC in Witsieshoek was to co-ordinate and preside over 'development' rather than to stimulate class formation. Its main achievements, consequently, lay not in the sphere of retailing where there was little need for centralisation, but in the transport and agriculture sectors which were more suited to state control. Small black retailers, for the most part, struggled along on their own resources and consciously avoided becoming indebted to the BIC. The failure of the BIC to stimulate black commercial development in Witsieshoek, however, ultimately had less to do with their inability to support black traders rather than with their reluctance to crush white commercial interests in the area (for comparison with the XDC in the Transkei see Stultz 1980, Southall 1983).

Relocation and Retailing in Qwaqwa after 1970

The demographic, political and economic profile of Witsieshoek underwent profound changes during the 1970s with the arrival of homeland self-government. In 1969 Witsieshoek accepted self-government under Baklokwa Paramount Wessels Mota and was given powers to legislate on behalf of its citizens, to administer its own funds, and to associate independently with other nations. These developments offset massive population relocation to Qwaqwa as OFS farmers and urban administrators used political change in the reserve to justify the expulsion of thousands of 'South Sotho' families from common South Africa. The impact of

population relocation to Qwaqwa was both immediate and largely unanticipated. In 1972 Councillor Sekonyela claimed that:

There are already too many people in the homeland. The areas set aside for residential development are overcrowded and new arrivals are being settled on agricultural land. Our resources are so exhausted that people will soon have to eat one another in Qwaqwa (QLA 1972: 42).

Chief Councillor Mota expressed similar fears when he claimed that if the South African government did not grant Qwaqwa more land it would eventually have to build high-rise dwellings in the area to accommodate all the new immigrants (Ibid: 39).

But neither land nor large scale employment creation schemes were forthcoming. By 1974 when Mota's successor T. K. Mopeli accepted further self-governing powers, the Qwaqwa population had already doubled in the previous five years. The homeland was rapidly becoming a massive rural slum with sprawling 'closer settlement' villages over-running the remaining agricultural land. Most of the new arrivals in the early 1970's were Basotho families evicted from white farms in the north-eastern OFS. On arrival these families were settled in transit camps, while government bulldozers worked overtime to clear more land for 'closer settlement' villages to be established. These villages were designed around urban density land use patterns and lacked all basic amenities, with the single exception of communal water taps. Other refugees from the urban areas with Section 10.1 (a) and (b) qualifications were resettled in the new town of Phuthaditjhaba, built to accommodate some 25 000 people. The pace of relocation did not abate throughout the 1970s with an average of about 3 800 people arriving in the area every month [6]. Between 1970 and 1983 the overall population of Qwaqwa grew from about 40 000 to an estimated 500 000 (Sharp 1982) [for more detailed discussion of population relocation see Sharp 1982,

Robins 1983, Krause 1983,. Salo 1984 and Niehaus 1984].

The impact of this demographic explosion on the slow moving homeland retail trade was profound. Within the space of a few years Qwaqwa moved from a state of marginal over-trading to being one of the most chronically under-traded homelands in South Africa. In the early 1970s Qwaqwa's commercial resources were concentrated in established villages such as Namahadi, Tseseng and Monontsha, while in the new closer settlement areas trading stores were virtually non-existent. This is not surprising given that at least one new store was needed every month to keep pace with relocation. It has been noted, for instance, that residents of Tseki village, settled in 1974, were forced to wait three years for their first licensed trading store (Niehaus 1984:11). In Phuthaditjhaba the situation was even worse as developers consistently argued that commercial expansion could only begin once the main residential zones in the town were complete. Consequently, the first families to settle in the Maqhekung segment of the town waited six years for the establishment of trading stores (cf. Robins 1982).

While disjuncture between residential and commercial development in Qwaqwa in the early 1970s was clearly related to the relocation process, evidence suggests that applications for business licenses were frequently refused by the Harrismith municipality, still the controlling body of licensing in the homeland. In 1976 the Qwaqwa Minister of Interior pointed to the difficulty traders were experiencing in obtaining licences:

Complaints have been lodged over a very long period by Basothos because they experience some difficulty with the issuing of licences for which they apply. There have been recommendations made by the tribal authorities that licences should be issued to certain people but this has never been done (QLA 1976: 684).

The tardiness of licensing procedures was compounded by strict health regulations imposed on black traders. One trader explained that health officials were blatantly discriminatory in their practices:

In Witsieshoek every shop that belongs to a black man is a modern shop. This is because he has to consult the Department of Health Services before he builds the shop. But we find that the inspectors do not even enter the shops belonging to whites, and they do not inspect them. Had these shops been inspected, these people would have been told to close their businesses long ago and to leave. These whites carry on their businesses in shelters knocked together with pieces of corrugated iron, they are windowless and dark inside (QLA 1976: 914).

The difficulties black traders experienced obtaining licences during the early 1970s spawned a thriving illicit trade in the homeland. Evidence from Tseki and Phuthaditjaba suggests that backyard retailing and hawking operations mushroomed during this period. In the Diappolo and Maqlekung segments of Phuthaditjaba virtually every third house was engaged in retailing of some description, be it shebeening, fresh produce hawking or coffin selling. But these enterprises were typically small and under-capitalised, and were most often run by women. The town was also filled with brokers, who acted as on-the-spot agents for white traders from Bethlehem and Harrismith. More direct forms of outside intervention were seen in the daily trips of nearby farmers into Qwaqwa to sell vegetables, low grade meat and milk. The shortage of these basic items resulted in their trucks being swamped on arrival. One woman explained that it seldom took farmers more than five minutes to dispense of their wares in Phuthaditjaba.

In the villages food shortages were more acute, as were the resources individuals had with which to purchase them. Incoming trucks loaded with basic needs items seldom got further than

villages situated on the outer perimeter of Qwaqwa. Residents settled in areas like Tseki were consequently forced to walk miles to purchase goods. Many waited in Phuthaditjhaba for days, while supplies of bread and meal were delayed. Others travelled to Harrismith and Bethlehem to take advantage of lower prices and the greater variety of goods offered there. In 1976 it was estimated that more than two million rand was spent annually by Qwaqwa citizens in Harrismith and Bethlehem (QLA 1976). In this context it is not surprising that the Harrismith municipality was reluctant to issue licences to Qwaqwa residents.

But the difficulties experienced by village consumers were partly alleviated by the growth of illegal stores in these areas. A survey conducted by the Ministry of Health in Qwaqwa in 1977 revealed that in the seven major Bakwena villages there were at least 17 stores operating without licences. Many were owned by individuals who had their business applications nominally accepted by the tribal authorities, but refused by the Harrismith municipality (QLA 1977: 520). These illegal storekeepers did not lead an easy life in the villages, since SAP patrols were frequently sent into the villages to rout unlicensed dealers and confiscate stock (cf. Bank 1984: 72-73).

Licensing conditions in Qwaqwa improved after 1976 with the passing of the Qwaqwa Trading and Business Undertakings Act which transferred the control of business licensing to the Qwaqwa government. The formation of the Qwaqwa Development Corporation in December 1975 also contributed to the new trend towards licensed commerce (cf. Chapter 2). The following table indicates the cumulative growth of business licensing in Qwaqwa between 1976 and 1984.

Table 1.2: Cumulative Growth of Business Licensing in Qwaqwa 1976-84

	1976	1978	1980	1982	1984
B A S I C S					
General Dealers	12	43	60	88	124
Cafes	4	21	38	43	61
Ft. & Veg./Hawkers	5	10	21	27	47
Rest.(Take-aways)	1	6	11	15	26
Wood & Coal	3	12	29	40	74
Specialised shops*	1	5	11	26	48
Other**	10	22	37	58	97
Total	36	119	207	297	477

* Under specialised stores I have included shoeshops, record bars, butcheries, bottlestores, furniture dealers, hair salons, home appliance stores and watchmakers.

** This category includes such licences as livestock speculators, sand and brick merchants and funeral parlors.

The new drive towards licensed commerce was understandably concentrated on basic needs items. Between 1976 and 1980, 134 licences or 78% of the total issued were concerned with the provision of basic needs items. Of these 61% were either general dealer or cafe licences. According to an ex-secretary of the Bakwena tribal authority, most of the new owners were elderly household heads from the farms who entered business on money earned from stock sales. After 1970 the Qwaqwa government insisted that farm refugees sold their cattle on arrival to avoid overstocking. The ex-secretary explained the tribal authorities' predicament in giving ex-farm workers licences:

The tribal authority was reluctant to give these men licences because they realised they were illiterate and did not have business experience. But the Bakwena chiefs had no choice: the people were complaining that they were suffering without shops.

Although ex-farm workers predominated among the new licensees, a number of traders from urban areas also acquired licences in the 'closer settlements' in response to advertisements on Radio Sesotho. These owners, prepared to brave 'closer settlement' life for quick profits, soon emerged as the leading retailers in the villages. They also, as we will see in Chapter Two, were more politically aware than their rural counterparts and established themselves as leading representatives of the Qwaqwa Traders Association in the late 1970s.

As the 1980s approached relocation began to abate. For the first time bureaucrats and administrators were given a chance to reflect on the changes of the preceding decade and consciously plan the future. In the field of retailing two important policy shifts were brought to fruition. Firstly, licensing procedures in Qwaqwa were overhauled with the establishment of the Phuthaditjhaba Licensing Board which replaced the ad hoc screening procedures of the late 1970s. Secondly, the Qwaqwa Development Corporation was given the go ahead to proceed with its Tripartite Agreement System to rationalise retailing practices in the area [9]. Consequently, the late 1970s saw the arrival of South African companies such as SASKO, Toyota, Plate Glass and Frasers Wholesalers, supposedly to serve the interests of local traders. In 1979 these initial steps were followed by the inauguration of a series of shopping centre projects, specifically designed to house large South African retailing concerns. These endeavours, as we will see in the following chapter, sparked off a strong political reaction from existing traders, but at the same time prompted retailers to engage in a more diverse spread of commercial undertaking. The centrepiece of the QDC rationalisation programme was the Setsing complex

constructed in Phuthaditjhaba in 1979. The new complex housed 35 stores structured around a large white-owned supermarket. This venture was followed in the 1980s by other similar projects in Namahadi, Makwane, Tseki and Tseseng.

Although the QDC heralded its new commercial vision as an attempt to return to Qwaqwa profits previously lost to white traders in Bethlehem and Harrismith, there is little doubt that the brunt of its endeavours was borne by rural traders in the homeland. The spread of white-financed supermarkets into the closer settlement villages in the 1980s produced in its wake mounting cases of bankruptcy among ordinary general dealer and cafe owners, who were unable to compete with the lower prices offered in supermarkets. Stores began to change hands rapidly as previously successful retailers were forced to lease out their premises to avoid complete bankruptcy. The other major consequence of the shopping centre schemes was that they introduced greater numbers of specialised stores (hair salons, watch repair stores, clothing shops etc) into Qwaqwa. This hastened the decline of the struggling rural petty-bourgeoisie which by the mid-1980s was increasingly giving way to a more professional urban trading fraternity (these changes will receive close attention in Chapter Four).

It was in the context of this resurgence of white commercial interests in Qwaqwa and the decline of rural retailing as a lucrative occupation that my research into this sector was conducted in 1984. I interviewed 40 licensed traders in Phuthaditjhaba, Namahadi, Tseseng, and Tseki - 31 of these owners were general dealer and cafe owners, while nine owned specialised stores. In addition to these interviews, discussions were held with representatives of the Qwaqwa Chamber of Commerce, licensing

officials, QDC representative and local bookkeepers. Although the actual number of traders interviewed represented approximately 10% of the total number of licensed retailers in Qwaqwa, the selection of the owners was not based on a random sampling technique. Owners were rather selected on a regional basis to allow for a comparative focus to be built into the research both within the retailing sector and with other commercial sectors.

In the following sections I will turn my attention to changing conditions in the transport and liquor markets in Qwaqwa.

THE TRANSPORT TRADE

The Rise of a Black Transport Business in Witsieshoek

With the exception of a few studies that concentrate on the role of black transport riders in the peasant economies of the Eastern Cape and Natal (see especially Nasson 1982), little has been written about the rise of rural black transport entrepreneurs in South Africa during the first half of this century. Although Charles van Onselen (1982) recently published a study of the early taxi cab business on the Witwatersrand, this work is neither rural nor predominantly concerned with black entrepreneurs. This gap in revisionist history in South Africa reflects not only the widespread obsession with African proletarianisation and white capital accumulation, but also the tenacity of dependency theory which rests on the assumption that development and underdevelopment are reverse sides of the same coin. This section focuses mainly on the rise and demise of a

black bus business in Witsieshoek after the 1930s.

The rise of black transport riders in Witsieshoek can be traced back to the emergence of a thriving farming economy in Harrismith district during the late nineteenth century (cf. Steytler 1932, Bundy 1979, Keegan 1984). Rising yields in this period generated a growing demand for middlemen to transport and market agricultural goods at the nearest railhead. Keegan (1981: 90) notes that the inability of farmers to perform these functions led a growing number of black transport riders to assume these tasks. Although Witsieshoek lacked the potential for producing a large agricultural surplus, the presence of white traders acting as brokers for the black peasantry ensured that a highly lucrative market developed around the transfer of agricultural goods to and from the nearest railway station at Harrismith. Both oral and missionary sources suggest that from 1895 both chiefs and commoners in Witsieshoek were purchasing wagons for the purpose of entering the transport business. This practice continued until the early 1930's when motorised transport first arrived in the area [9].

The effect of motorised transport in Witsieshoek was abrupt and decisive. In the space of a few years the truck and the tractor replaced the entire black wagon trade (cf. Badenhorst 1944). From the 1930s onwards local white traders were able to journey to and from the station without the assistance of black intermediaries. Indeed, by 1934 the Gray family not only catered for all its own transport needs, but also ran a local bus service for migrants from Qwaqwa village to Afrikaskop station. A few years later a competing service was set up by the SAR.

During the 1940s increasing labour migration, together with the

liberalisation of transport licensing under Natal local authorities [10], rejuvenated black transport interests in Witsieshoek. In the late 1940s two local peasant farmers led the way by setting up buses on the Harrismith/Rydal Mount road. Shortly afterwards they were joined by other operators from Harrismith, Monontsha and Tseseng. The leading figure in the new black transport business was a Makong stock farmer, Kama Twala, who at one stage ran three buses between Witsieshoek, Harrismith and Bethlehem. But by the 1960s his dominance over the market began to wane, providing space for new entrepreneurs to break into the business. By 1965 there was no single controlling interest. The market had entered a competitive phase with the four major operators Mohamane, Twala, Modingoana and Motaung struggling for control. But these conditions were short-lived with the arrival of the BIC in the homeland.

From the point of view of the BIC, the existence of a free market in transport was not compatible with the state's decentralisation initiatives and the anticipated growth of frontier commuting. The Corporation was well aware that the success of these policies depended in large measure on keeping worker subsistence costs down by subsidising and controlling housing and transport (Swilling & MacCarthy 1985). But neither of these objectives could be realised without state monopoly. Consequently, in 1967 the BIC attempted to set up negotiations with local bus owners for the establishment of a single company supported by the state. This initiative was rejected outright by Twala and Mohamane who saw the move as a guise for introducing a white monopoly. The lesser owners, Motaung and Modingoana, on the other hand, felt they had nothing to lose by going into partnership with the state. The BIC, undeterred by this lack of consensus, set up the

Setsokotsane Bus Service as a local monopoly in 1969 with Modingoana and Motaung as the leading shareholders. Both Twala and Mohamane were left out of the agreement. This exclusion was seen as unprecedented by local traders. In 1974 a member of the new Qwaqwa Legislative Assembly reflected on the manner in which the BIC conducted the Setsokotsane agreement:

The BIC was brought to this homeland when local bus owners asked it for assistance, but I can assure you that it drowned these owners. Originally, when Setsokotsane was established there were four chickens [Twala, Mohamane, Modingwana and Motaung]. But now only two remain. I cannot give you the assurance that they will live very long (QLA 1974).

The BIC tried to justify its actions by arguing in its 1974 report that it had been forced to intervene in homeland transport, because local bus owners were "not professionally equipped to deal with rising demands" (BIC Annual Report 1974:8).

Yet there is no evidence to suggest that there were any improvements in public transport in Qwaqwa between 1969 and 1975. In fact, with the advent of relocation it got considerably worse and between 1969 and 1973 the company ran only five buses for a population that was rapidly approaching the 100 000 mark. Transport conditions in the villages were appalling. One resident from Tseseng attempted to explain the situation:

Women have to stand in long queues with their babies on their backs. When a bus arrives it is often full, if not, they are packed in like sardines into a tin. Some remain standing all the time until they get to Harrismith. The situation is particularly bad in Tseseng, Makaneng and Thaba Tshewu where one can wait a whole day without a single bus arriving (QLA 1975: 231).

Another speaker reflected on the effects of the poor bus service on employment:

The Setsokotsane bus service is cruel. It has caused many people to lose their jobs, simply because at the time they needed transport these buses were not available. Some people [working in Harrismith] do not even come home over the weekend because they know they will lose their jobs as a result of these buses. You can see the seriousness of the situation, Mr Chairman, when you have a case where a person gets up at five 'o clock in the

paying the more expensive daily fares.

Sources: BENBO 1978, BIC Annual Reports (1976-84) , SAIRR (1979/80), Setsokotsane Annual Reports.

As predicted, the rationalisation of Setsokotsane in the late 1970s brought with it greater white control. Managers were imported from other homelands to run the business. In 1978 Motaung and Modingoana lost their majority share in the company and eventually, in 1982, both owners were completely bought out by the Corporation for Economic Development. This agreement not only marked the end of an era in the history of public transport in Qwaqwa, but also made Qwaqwa the only homeland in which the local bus service was entirely owned and run by the South African government.

The Taxi Business in Qwaqwa (1976-84)

The decline of local bus interests in Qwaqwa corresponded with a rise in the homeland taxi business. The roots of the taxi movement in Qwaqwa can be traced back to the early 1970s when the Setsokotsane bus service had proven itself incapable of meeting local transport needs. The shortage of public transport in this period produced a plethora of part-time or casual taxi operators using vans and bakkies. These owners were usually engaged in a range of commercial activities involving the transfer of goods from areas of abundance to areas of shortage. In addition to transporting building materials, fresh produce, alcohol and furniture they carried people. The demands on their time and the profitability of their major activities restricted their involvement in taxiing to weekends, when large numbers of people wished to travel to Harrismith and Bethlehem. Yet, interspersed

among these operators, was a small group of permanent licensed commuter taximen. In 1974 they comprised about half-a-dozen operators who travelled to and from Harrismith on a daily basis. Unlike their casual counterparts, they used cars rather than bakkies, and were legally limited to passenger loads of four people. This limitation restricted profits and put a premium on multiple licence holding. Consequently, at the end of 1974 they set up the Qwaqwa Taxi Association to standardise their services and bargain for more licences.)

After 1976 with the expansion of Setsokotsane the taxi trade came under serious threat from the cheaper bus service. With the taxi trade on the verge of collapse, taximen started moving into new business spheres to recuperate their losses. However, in 1977 amendments to the Road Transportation Act breathed new life into the local trade. Licensees were now allowed to purchase kombi taxis which were legally entitled to carry eight passengers.) In 1979 the commuter trade received a further boost with the tarring of the Harrismith road. These new conditions produced a flood of licence applications to the Bloemfontein Transportation Board, increasing commuter taxis from about 10 in 1978 to 30 in 1980. But these achievements were cut short by the Setsokotsane, whose interests the state sought to protect (cf. Chapter Four). Between 1980 and 1985 only six additional licenses were extracted by commuter taximen. In these circumstances Qwaqwa experienced the re-emergence of an illegal commuter and local taxi business. In 1982 a Setsokotsane survey revealed that 17% of all kombis travelling to Harrismith were unlicensed. A further group of Harrismith Association owners, licensed to operate only within the Harrismith municipal boundaries, had also made inroads into the commuter market by the early 1980s. Qwaqwa owners reported

that police patrols in Harrismith were unaware of these infringements because they seldom travelled outside the town. In spite of these interferences, there is little doubt that commuter taxi profits had increased dramatically since the mid-1970s. The high incidence of multiple ownership among commuter taximen - one Phuthaditjhaba owner held eight licences in 1984 - and the good quality of Qwaqwa Taxi Association vehicles was indicative of the boom in the commuter taxi trade.

In contrast to developments on the commuter front, the internal taxi trade remained retrogressive. Setsokotsane's tight web of internal routes eradicated many of the earlier transport opportunities inside the homeland. But gaps in supply still existed, especially in areas where demand was irregular and could not easily be accommodated by bus timetables. In openings were filled by local truck and van owners, operating unhindered by local traffic police. In 1985 there about were 50 regular internal taximen left.

If the kombi taxi had made a lasting imprint on the commuter market, its influence was equally powerful in the sphere of long-distance transport. By the late 1970s all migrant transport from Qwaqwa was controlled by three state monopolies - United Transport, Greyhound and the S.A. Railways. The SAR services were the most regular: a weekly bus service was established between Qwaqwa and Welkom, Johannesburg, Vereeniging and Secunda during the 1970s, while trains were available from Harrismith, Bethlehem and Afrikaskop. Attempts to have the railway line extended from Afrikaskop to Qwaqwa were floored by the Kestel municipality in 1980, which feared that the move would encourage loitering in the town (QLA 1980). But, while long-distance transport was receiving some attention from the authorities, migrancy patterns from

Qwaqwa were changing rapidly in the late 1970s. According to the National Manpower Commission, the total number of migrants in the homeland increased from 35 000 in 1979 to 51 000 in 1981 (Mare 1983: 81) [11]. New service contracts, incorporating a flexible weekend leave structure, also influenced demand patterns. Workers were no longer satisfied with slow SAR buses, which left the cities at times inconvenient to the majority of migrants. They wanted a transport system that ensured rapid transfer and could accommodate irregular travelling hours. Migrants clocking out at 6.00 pm on Friday evening in Welkom or Johannesburg wished to arrive home in Qwaqwa, some 300 kms away, on the same evening, so that they could maximise the amount of time with their families before having to return to work by Monday morning.) In the late 1970s, as the following SAR bus timetable demonstrates, these demands could not be met by the existing migrant transport system:

Table 1.4: Departure and Arrival Times of SAR Buses from Three Key Employment Centres for Qwaqwa Migrants (1985)

Destinations	Mon	Tues	Weds	Thurs	Friday	Sat
J'burg/ D	10:15		10:15		17:15	10:15
Qwaqwa A	16:55		16:55		3:35	16:55
Welkom/ D	7:00	7:00	7:00	7:00	16:00/ 20:45	7:00/ 7:00
Qwaqwa A	15:00	15:00	15:00	15:00	21:30/ 5:00	13:00/ 13:00
Secunda/ D					13:00	
Qwaqwa A					20:00	

Source: Superintendent of Passenger Services, SAR, Cape Town.

In terms of the above schedule, the time taken by a migrant to

travel the 320 kms from Welkom to Phuthaditjhaba on Friday evening totals eight and a half hours. This excludes the extra time wasted getting home from the Phuthaditjhaba bus stop where there are no buses operating at 3.35 am in the morning.

(In the context of widening cracks in the long-distance transport market, local vehicle owners in Qwaqwa and in urban areas set themselves up in competition with the existing bus companies. These owners gained immediate popularity among migrants, who by the most conservative estimates could expect to have their travelling times halved by engaging the services of unlicensed pirate taximen.) In the period between 1978 and 1981 the number of regular long distance taxi pirates operating from Qwaqwa grew from about 15 to well over a hundred [12]. (The rate at which these owners had spun their commercial web over the migrant transport trade caused major internal disputes between taxi pirates over issues such as loading, fares and safety precautions (especially drunken driving) and necessitated some form of organisational monitoring of the trade as a whole.) (The Majakathata (the strugglers) Taxi Association was inaugurated to realise this objective.) The Association represented a loose alliance of all long-distance owners operating within Qwaqwa and Lesotho and sought to standardise services through the creation of 'line committees'. These committees aimed at controlling entry into the trade, monitoring supply, hearing passenger complaints and supervising loading procedures.

For the first year of its existence Majakathata operated with great efficiency as an umbrella body uniting all long-distance taxi operators in Qwaqwa. However, following the publication of the Welgemoed Commission's findings in 1982, which slated the

pirate taxi business, more localised interests began to come to the fore within the organisation. Police activity in the OFS played an important part in fragmenting the taxi pirates. (1) Clampdowns on routes such as the Welkom 'line' by Railways and the OFS traffic police began to cause tensions with other 'line committees', who were expected to pay higher subscription fees to cover the legal expenses of their Welkom colleagues.)

To compound matters, the emerging schisms were deepened by the intervention of association lawyers, who sought to set up car-hire companies to short-circuit police arrests. (2) They proposed that Majakathata be dissolved into a number of smaller companies operating under the facade of car rental schemes. This suggestion, while opposed by the Majakathata executive, was quickly exploited in the urban areas, and by the end of 1983 a taxi war had broken out between the new urban entrepreneurs and the original founders of the pirate business in the homeland.) Between the middle of 1983 and February 1984 long-distance taxi pirating fell into a state of collapse with the involvement of urban street gangs as protection racketeers in taxi trade. Incidents of violence became widespread at the various OFS taxi ranks as passengers were driven away, drivers assaulted, and vehicles vandalised. Fearing for their safety, migrants moved back onto the buses and the profits within the long-distance taxi trade plummeted.

By June of 1984 the situation had stabilised with the signing of a number of agreements between competing taxi associations and car-hire companies. An uneasy peace settled over the trade, and this is how it remained until I left the field in February 1985. It was nevertheless clear by this stage that Majakathata was slowly reorganising itself into car-hire companies.

In this context of rapid change it is difficult to isolate the essential features of long-distance pirate taximen and their scope for accumulation. I will venture to suggest, however, that if conditions continue to stabilise, these owners will find themselves in a powerful economic position as the state has made no attempt to remedy the dismal bus services available to migrants. Indeed, in spite of the tense and volatile state of the pirate taxi business during 1984 and 1985, there was abundant evidence that these operators were approaching their business with innovation. One impressive development which began to emerge in 1985 was the establishment of a weekend hire scheme where groups of ten or more people could hire a kombi and a driver to take them to a specific destination and wait for them to complete their business before returning. Soccer fans and church groups were particularly attracted to these schemes.

The overall success of long-distance pirates was also demonstrated in other ways. For instance, in contrast to other groups of pirate taximen discussed below, long-distance operators were distinguished by the quality of the vehicles they used. Almost without exception their kombis were the latest 15-seaters on the market and came with a range of accessories such as tape decks, mag wheels, tinted windows and CB radios. In addition, multiple-vehicle ownership was common in this category. In fact, half of the people interviewed either owned more than one vehicle individually or were members of families with multiple vehicles. The latter owners were also often involved in other commercial activities. Finally, to provide some indication of the kinds of profits that could be made in this business it can be noted that a single journey to Johannesburg with a full combi load earned a

gross income of R300. Some of the wealthiest owners were making as many as six journeys a week during 1985. In this context it is little wonder that many of the licensed taximen in Qwaqwa were attempting to muscle their way into the illegal business.

My research into the taxi trade was conducted in January and February 1985 and involved the collection of 20 life-histories of members from a variety of the above associations. Additional interviews were conducted with the bus company officials and members of association executives to glean additional information about the trade as a whole. The general mobility of taximen and complexities of association politics made it extremely difficult to interview owners from all associations. I consequently focused my research primarily on the long-distance trade where the intervals between journeys were sufficiently long to conduct detailed interviews.

THE LIQUOR TRADE

The Liquor Trade in Witsieshoek

Although it is a well-known fact that the consumption and distribution of homebrewed beer formed an integral part of daily life in rural African communities throughout South Africa during the early part of this century, little has been written on the rise of a commercial liquor trade in rural African communities to supplement the growing body of literature on liquor trade in urban African communities (Pinnock 1982, Kock 1983, la Hause 1984, Coplan 1985, Scharf 1986).

In this section, I do not claim to be able to document the rise

of a commercial liquor trade in Witsieshoek in any detail since that would have required an entirely separate oral history project. I merely wish to point to the historical depth of commercial liquor dealing in the reserve and highlight some of the continuities between urban and rural liquor trading.

Charles van Onselen (1982) has recently argued that enlarged agricultural surpluses in the Transvaal in the 1880s were an important antecedent to the emergence of liquor production on the Witwatersrand. The use of liquor as a means of storing agricultural surplus, he argues, is a recurring historical theme in the transition from feudal to capitalist agriculture in Europe (1982:45). In a similar vein, commercial liquor production in the north-eastern OFS, manifested in the establishment of the Demarillac Distillery in Harrismith in 1895, appears to be closely related to the consolidation of an increasingly capitalist white farming sector in the region in the late nineteenth century (cf. Keegan 1981).

The arrival of commercially produced liquor in Witsieshoek and northern Basotholand in general preceded the growth of a local liquor industry in the OFS. Keegan (1986: 202) notes that by the 1880s:

A number of liquor canteens has sprung up [in Basotholand], where Basotho illicitly exchanged grain for cheap often unadulterated Cape Brandy - a muid of grain was often exchanged for a bottle, ensuring big profits for liquor vendors.

Walton (1958) corroborates this evidence by suggesting that white farmers were engaged in smuggling copious quantities of liquor across the eastern border of Basotholand in the 1890s. He quotes a Basotholand missionary:

the strongest and vilest Cape Smoke [brandy], we call it 'kill at forty yards', is daily being smuggled into the country by unprincipled men, both Dutch and English, and a whole string of

illicit grog shops and canteens exist along the border (p.30).

Despite the availability of Cape liquor in Witsieshoek by the late nineteenth century, there is no evidence to suggest that Cape liquor was used in Witsieshoek in large quantities prior to the 1890s. Missionary evidence suggests that Paramount chief Paulus Mopeli was opposed to the illegal liquor trade and only encouraged the brewing of traditional jwala (Badenhorst 1944: 258). But, with the arrival of the Harrismith distillery and the outbreak of the Anglo-Boer War, conditions began to change in Witsieshoek. Several factors seem important in the transformation of local attitudes. Firstly, the closure of the mines and OFS roadworks brought migrants home with first-hand experience of the liquor trade in the compounds. Secondly, the arrival of 20 000 British troops in Harrismith heightened local awareness of the popularity of commercial liquor. Thirdly, the death of Paulus Mopeli in 1897 and his replacement by the rebellious, anti-mission Ntsane Mopeli undermined the temperance philosophies of the Dutch Reformed church (Ross 1930: 60). Fourthly, the vacation of white farms in the Harrismith area during the war enabled Witsieshoek residents to travel freely to nearby towns to purchase liquor (Steytler 1932).

Whatever the combination of these factors, there is little doubt that local brewers in Witsieshoek were selling mixtures of traditional beer and commercial liquor for profit during the war. Describing conditions in the reserve, Badenhorst (1944) maintains that 'drunkenness' and 'anarchy' were interrupting the work of the mission. Rev Ross' letters reveal a similar complaint:

There is no law and order in the reserve at all....Beer brewing and drinking, pagan dancing and all sorts of terrible things are occurring. Moreover, many beer canteens have been set up and sell beer to the public. The reserve will soon be full of canteens. I have already protested about this to the chiefs [translation from

Afrikaans] (Ross 1930: 57).

The initial growth of commercial brewing waned with the restoration of law and order in the reserve after the war and the tighter implementation of the 1897 prohibition on liquor sales to Africans in white areas. But commercial brewing did not disappear. This is confirmed by missionary reports and the descriptions of reserve life found in the opening chapter of Mopeli-Paulus' (1952) Blanket Boy's Moon. Mopeli-Paulus, writing of the conditions in Witsieshoek before the 1913 Land Act, maintains that landless widows and other women made a living from the sale of beer: "in order to make more money , they added certain liquors to their brew which quickly made men drunk and senseless" (1953: 21).

The oral accounts of the liquor trade in the 1920s and 1930s provide rich descriptions of the kinds of concoctions brewed in the area with the arrival of new recipes from urban areas. But at the same time they describe a liquor trade with little vitality, which was relatively homogeneous and conservative. Commercial beer production remained linked with ritual occasions, agricultural festivals, letsema gatherings and domestic consumption patterns. Rural women in Witsieshoek could only improvise urban traditions of which they had little or no personal experience. In this sense, the Witsieshoek trade lagged behind other reserves located closer to the city. La Hause (1983: 9), for instance, suggests that in parts of Natal rural women manipulated the five-day pass system to travel into Durban over weekends to sell large calabashes and paraffin tins of utswala to migrants, thereby retaining some continuity between brewing traditions in town and country [13]. The distance of Witsieshoek from the major cities excluded these possibilities and prevented

rural brewers from extracting large profits by penetrating into urban areas. Local accounts depict the reserve trade as small and irregular, peaking at periods when large numbers of migrants were home.

The activities of liquor traders in Witsieshoek during this period were not comparable with those of their urban counterparts who fed on media images, cross-cultural contact and urban dance and music subcultures to establish vibrant drinking houses (cf. Coplan 1985). Shebeeners in Witsieshoek were neither cultural innovators nor aspirant capitalists [14]. They simply serviced the needs of migrant workers by integrating urban drinking habits with established rural liquor consumption patterns. In this sense the operations of liquor traders contrasted markedly with those of retailers and transport operators prior to the 1960s.

The Rise of the Liquor Trade in Qwaqwa

Conditions in the liquor trade improved marginally in the 1960s with the lifting of the prohibition on African liquor purchasing in white areas. In 1962 it became legal for blacks to carry up to nine litres of bottled liquor from white residential areas into locations. This measure, combined with increasing population relocation from the mid-1960s, stimulated liquor sales in the reserve. But at the same time there were still important limitations. Firstly, there were no bottlestores in Witsieshoek during the 1960s, forcing shebeeners to carry the expense of regular journeys into Kestell and Harrismith to purchase liquor. Secondly, this period was typified by the influx of farm families into Qwaqwa who had little experience of shebeening. Liquor

consumption in the OFS countryside was generally confined to domestic units where women brewed beer daily for the household head. The residential locations on most farms were also too small to commercialise liquor production.

Increased urban removals to Qwaqwa in the 1970s, however, moved the core of the shebeen trade to Phuthaditjhaba. The urban relocation policy to Qwaqwa had two aspects. On the one hand, it concentrated on resettling entire urban communities in 'freehold' locations. The most striking cases of this were witnessed in the demolition of the Schoonplaas locations in Harrismith in 1972 and the Vergenoeg location in Senekal between 1972 and 1975, while other examples involved mass removals from Bloemfontein, Aliwal North, and Vereeniging. On the other hand, the state concentrated on weeding out 'superfluous' and 'undesirable' elements in a wide range of urban areas. The vast majority of these individuals, exposed to influx control removals, were women and pensioners. Initially, they were resettled in a two-roomed housing complex at the east end of Phuthaditjhaba known as Maqhekung, literally "place of the old", but when this accommodation was exhausted they were dispersed in among closer settlement residents. Many were located in a new segment of Namahadi which they called Mangaung, after the Bloemfontein location whence they had come.

The marginality of single women - deserted, widowed or divorced by their husbands - from the male-dominated migrant and commuter labour markets in Qwaqwa forced large numbers into the familiar activities of shebeening and hawking. My interviews revealed that a number of these women were already second generation shebeeners, brought up on concoctions such as skokiaan, skomfana, 'shimiyane and magasimani. This experience enabled them to emerge as the new homebrew 'shebeen queens' of the early 1970s. It is

perhaps worth emphasising that, in spite of their innovative brewing styles, these women seldom generated large profits by their efforts. This was particularly true in the impoverished closer settlements, where most household incomes could not be stretched to such luxuries as commercially brewed beer.)

After the mid-1970s employment patterns in Qwaqwa became more stable, especially with the mines cutting down on foreign recruits. According to the National Manpower Commission, the number of migrants increased in Qwaqwa from 7 000 in 1975 to 43 000 in 1980, while the available commuter jobs grew from about 1 500 to 6 800 over the same period (SAIRR 1975/81). A considerable number of local construction jobs on roads, schools, clinics and township housing were created by the Oranje Vaal Administration Board. These developments cultivated local demand for mass-produced liquor, especially bottled beer. In closer settlement areas storekeepers emerged as important brokers in the new trade.) As owners of refrigerators, and regular commuters to Harrismith they were able to supply both the shebeen trade and the general public with bottled beer.) Another interesting development in the rural trade in the late 1970s was the development of a fortnightly shebeening cycle in Bakwena villages such as Botsabela and Mangaung. These areas, located close to the Phuthaditjaba labour bureau, were the main recruiting zones for SASOL migrants and as such were the destination of the fortnightly pay packets of these workers.) This distinctive cycle, however, declined in 1983 when the SASOL plant at Secunda was completed.

In Phuthaditjaba new employment opportunities, as well as the arrival of increasing numbers of teachers and bureaucrats with

westernised drinking habits, rapidly transformed shebeening. New demands for spirits and bottled beer introduced specialised liquor runners into the trade. These individuals negotiated bulk purchasing agreements with Harrismith bottlestore owners and resold their liquor in Phuthaditjhaba at inflated prices.) The ready availability of bottled liquor from these runners produced a local price war in the town between 1977 and 1979, the average price of 750 ml of beer in shebeens dropped from 90 to 70 cents. This competition was compounded in 1979 with the establishment of the first black-owned bottlestores in the town. Under these circumstances it became imperative for shebeeners to specialise in order to avoid being ousted from the liquor market by owners of large drinking and retailing depots. Although it is difficult to document the full variety of operations in the town by 1980, three types stand out, which I shall term 'neighbourhood outlets', 'general drinking houses' and 'club shebeens' (cf. Chapter Four).)

Neighbourhood shebeens were the most common in Phuthadithaja in the early 1980s when there were at least three on every block. They were run predominantly from the homes of single women who exploited a common residential identity to sell a combination of bottled beer, mass-produced sorghum beer ('Big S') and homebrews, especially the fast brewing magasimane made from sugar,) bread yeast, malt and flavoured with fruit. The profits of these operations were small and their markets competitive. Club shebeens, on the other hand, catered specifically for the needs of the aspirant middle class and were structured around common occupational and recreational interests. In contrast to the smaller neighbourhood outlets, they sold mainly bottled liquor, especially beer, and were often run by husband and wife.)

combinations. 'Teacher' shebeens were probably the most common in this category, although high-class outlets operating from self-built homes were making their mark by the mid-1980s. The final category of shebeen, the general drinking house, was the least common of the three types. These outlets were defined by their size and their mixed clientele. In a sense, they were simply larger versions of the neighbourhood outlets with a more upmarket orientation. They operated from houses with several drinking zones, usually a courtyard for migrants and two or three plushly decorated rooms inside for wealthier clients. At these shebeens liquor was not cheap, as clients paid for privacy, service and comfort. In terms of the variety of liquor sold these outlets were the closest thing in Qwaqwa to the white suburban pubs.

Market changes in the villages came more slowly. Part of the reason for this was that bottlestores were only set up in these areas after 1982. But more important was the fact that class differentiation had not gained momentum outside of Phuthaditjhaba. Closer settlement shebeeners continued to be constrained by the structures of labour migration and the irregular flow of remittances. In these areas neighbourhood shebeens, some dealing only in homebrewed liquor, continued to dominate the trade. Peak trading hours for these operators were over weekends, but it was noted that most of them stayed open all week to allow unemployed men to gather together and chat. However, by 1984 a few larger drinking houses were beginning to appear in some of the older villages such as Namahadi, the seat of the Bakwena tribal authority. These outlets, nevertheless, remained rare. The contrast in variety and scale between Phuthaditjhaba shebeens and those in the villages was the most notable characteristic of the liquor market in Qwaqwa in 1984.

This division should not, however, be assumed to be static. The consolidation of commercial liquor interests with the formation of the Qwaqwa Bottlestore Association in 1984 threatened to change the rural market by offering shebeeners cut prices to stimulate demand. This point was emphasised by Bakwena chieftainess and businesswoman, Mampoi Mopeli, when she urged the Qwaqwa government to promote local bottlestore owners by setting up a "Buy Qwaqwa" campaign (QLA 1984: 598). The prospect of the legalisation of shebeens also held important implications for the trade as a whole. In 1984 the Qwaqwa government, keen to extract revenue from the trade, was seriously considering implementing the Soweto 'tavern' system in the homeland. Local shebeeners were less enthusiastic, especially in the rural areas where women realised that licensing would probably transfer the trade into male hands.

During my fieldwork I conducted 20 interviews with shebeeners in Phuthaditjhaba, Manaung and Namahadi. Although these interviews attempted to capture a wide range of operations in both town and country, sustained police harassment of rural shebeeners at the end of 1984 interrupted my research in the closer settlement areas. The data collected therefore shows a bias towards Phuthaditjhaba traders.

Conclusion

Although the above analysis is primarily concerned with local-level change in three commercial sectors in Qwaqwa, the discussion throws critical light on two widely held assumptions about black class formation in the homelands. In concluding this

chapter I wish briefly to draw attention to these two issues.

The first revolves around the central role ascribed to the BIC in inaugurating class formation in the homelands. Molteno (1977) in his influential overview of the bantustan strategy identifies the BIC as a major force in forging the shift in homeland policy away from the 'class levelling' tendencies of the reserve period to the 'class forming' tendencies of the contemporary phase. This analysis is based entirely on the experience of the Transkei where the BIC bought up 423 white trading stations during the 1960s and had already transferred 217 of these stores into black hands by 1972 (Southall 1983: 163). This initiative was coupled with a business loan scheme which assisted more than 100 black traders in the Transkei over this period (Hart 1972: 105). In contrast to this situation, there is little evidence that the BIC played an equivalent role in Qwaqwa. In fact, it seems clear that, in spite of growing proletarianisation, class formation occurred less rapidly in the 1960's than it did in the 1950s when state involvement in commerce was minimal. Indeed, when one critically investigates the role of the BIC in Witsieshoek, it is not at all clear that the major objective of the Corporation was to stimulate the interests of local black entrepreneurs. During the period 1960 to 1974 the Corporation not only failed to crush white retailing interests in the reserve effectively, but also undermined those of local bus owners, dairy farmers and brick merchants by establishing state monopolies (cf. Mapena 1970, Bank 1985). Its involvement in the construction of the Mount-Aux-Sources holiday resort, designed for and run by whites, provides further evidence of the orientation of BIC activities in Witsieshoek. It seems clear that black commercial advancement in Qwaqwa in the 1960s did not occur because of BIC initiatives, but

rather in spite of them! This finding brings into question the validity of generalising from the very specific experience of the Transkei to other homeland areas, but it also focuses attention more generally on the transition period of the 1950s and 1960s, between the reserve and the bantustan strategies [16]. In analysing the significance of this transition it is crucially important to counterpose the rhetoric of the state with its actions in the rural periphery. Hirsch's (1984) suggestion that there is an urgent need to consider the composition of various government corporations and state departments to fully grasp subtle shifts and regional differences in state policy in rural areas is an important one, but one that should be coupled with analysis of actual rural situations during the transitional phase [15].

The second issue relates to my earlier warning that black petty bourgeois development should not be seen only in legalistic terms. There are two underlying assumptions that inform this position: (1) unlicensed informal sector operations are by definition small-scale undertakings, (2) legal reform is the only way in which black entrepreneurs can effectively enter the South African economy. Neither of these notions is unequivocally supported by the analysis presented in this chapter. Indeed, it is clear that certain categories of shebeeners and taximen in Qwaqwa were making considerably larger profits in 1984 than their licensed counterparts in the retail trade, burdened with lengthy bureaucratic procedures and over-trading. I am not suggesting that legal reform is not an important aspect of black class formation, but rather that illegal operators will continue to prosper where market conditions are good and state intervention is minimal. I will elaborate on this issue in much more detail in

Chapter Four.

Footnotes

- [1] Arthur Gray (Jr.), personal communication, January 1985; for a more general discussion of the skin and hide trade in the Harrismith district during the 1870s and 1880s see Steytler (1932: 82ff)
- [2] Morris Thibella, an retired teacher from Monontsha village, claimed that when his father bought a wagon from a white Harrismith farmer in the early 1890s he was the first commoner to own a wagon in the district.
- [3] Informants claimed that women undertook these expeditions between July and September, after the winter peaches had ripened and before the summer rains made the wagon trails in and out of the reserve unusable.
- [4] Keegan (1986: 212-14) provides a more detailed description of the involvement of the Stevens family in the Basotholand trade. He focuses particularly on the competitive relationship that developed between the Stevens and the Fraser family businesses.
- [5] In 1932 the Native Economic Commission reported that: "it is unreasonable to prevent natives from obtaining trading licences inside the Native reserves" (UG 22-32: par. 954). In 1934, following this recommendation, provisions were made to assist black traders in obtaining licences in the Transkei, 62% of the business licences granted in the reserves between 1934 and 1936 were issued to blacks (Hart 1972: 95). These measures were, however, not extended to the OFS as a result of strong resistance from white municipal authorities (Ibid: 97-100, Rheinault Jones 1939).
- [6] This figure is commuted by subtracting the official 1970 de facto population figure and the estimate 1980 figure of 300 000 and dividing them by 120, the number of months.
- [7] This information was obtained during my 1983 fieldwork in the town. The high density of informal sector activities in Phuthaditjhaba during the early 1970s is corroborated by Robins evidence (1982).
- [8] The Tripartite Agreement System was introduced in 1975 as part of a package of economic decentralisation initiatives. The aim of the system is to allow white-owned companies to gain direct access to homeland areas, but on condition that local shareholders will eventually own half of their assets. Local Development Corporations were entitled to hold shares in trust until such time as it became feasible for them to be sold off to local residents (cf. Zille 1981, Watson, Dewar & Todes 1981).
- [9] Information derived from interviews with the Gray and Brand families. Gertie Gray owned the first private sedan, a Tin Lizzy.
- [10] During the 1940's transport licences in Witsieshoek were issued from Dundee in Natal (Kama Twala, personal communication).

[11] These National Manpower figures appear to include migrants recruited in Onverwacht near Thaba 'Nchu. This figure remains the only available estimate.

[12] This figure is based on oral reports from Majakathata owners.

[13] Bradford (1987) has demonstrated this clearly in her analysis of female shebeeners in small Natal midland towns. She argues that the connection between urban and rural brewing can be seen in the active participation of rural brewers in the 1929 Natal Beer Riots.

[14] Bradford (1987) has argued that the profits generated by rural female shebeeners were also restricted by the control men sought to exercise over their earnings. She maintains (1987: 303) that in terms of the Natal code, the entire earnings of an African woman belong to her guardian, a privilege which was passed down on marriage from fathers to husbands. She suggests that these rights were protected by the legal system: "white magistrates betrayed few qualms in supporting rapacious guardians who pounced on female assets and incomes" (Ibid)

[15] Recent literature on the reserves has concentrated in great detail on the decline of peasant agriculture, the incorporation of rural people into the wider capitalist economy and the responses of rural people to this processes between 1880 and 1930 (cf. Bundy 1979, Marks & Atmore 1980, Beinart 1983, Shillington 1985, Beinart and Bundy 1987). There has also been a considerable amount written about the contemporary period (Rotberg & Bulter 1977, Shultz 1980, Sreek & Wicksteed 1981, Southall 1983). Studies of the intermediate period, especially the 1950's and 1960's, have been far more limited and mainly confined to investigating resistance to the implementation of agricultural 'betterment' (Marony 1976, Mason 1983, Lodge 1983).

CHAPTER TWO

THE POLITICS OF CENTRALISATION TRADERS, DIKWANKWETLA, AND THE QDC, 1974 - 1984

In this chapter I will concentrate on the changing relationship between small traders, the ruling Dikwankwetla party and the Qwaqwa Development Corporation between 1974 and 1984. I will attempt to demonstrate through this analysis that class formation in Qwaqwa cannot be understood as the mechanical unfolding of neatly integrated collective interests, but must be seen as a process of both economic and political struggle [1].

The chapter is divided into three sections based on a periodisation of the central shifts in the relationship between traders and the Qwaqwa government. The first section, which deals with the period 1974 to 1980, attempts to document traders' initial support for and subsequent opposition to the economic policy of the Dikwankwetla party, which increasingly surfaced at the party political level towards the end of this period. The second section, which deals with the period 1980-1982, concentrates on the re-election of Dikwankwetla in Qwaqwa in 1980 and its move away from confrontation politics towards co-option and repression as key political strategies. In the final section I will deal with the evolution of this policy after 1982 and its economic and political implications for traders in Qwaqwa.

Traders, Dikwankwetla and the Politics of Opposition

The evolution of homeland self-government in Qwaqwa after 1971, while of little significance for the vast majority of Sotho-

speakers in South Africa, was a process that was watched with considerable interest by Basotho entrepreneurs both inside Qwaqwa and beyond its borders. For those traders living in Witsieshoek a shift in political control away from Pretoria promised to release them from the 'tyranny' of the BIC and the Harrismith Municipality, whose collective control over business licensing existed as a formidable obstacle to their commercial ambitions. Local traders were also disillusioned with the tribal authorities, whose persistent petitioning against racist licensing policies had earned them few concessions, and looked with some optimism to days when business licensing was controlled by the local Qwaqwa government. Basotho traders in urban areas had a similar interest in the devolution of political control in Qwaqwa. Since the mid-1960s their businesses had come under increased pressure from urban authorities and they realised that unless new opportunities arose in the homeland they might be forced to relinquish their businesses altogether (Southall 1980).

In this context, it is not surprising that in 1974, when it was announced that Qwaqwa was poised to enter the second phase of self-government, large numbers of traders joined forces, some as candidates, with the opposition Dikwankwetla party under T.K. Mopeli to dislodge the ruling Basotho Unity party led by Batlokwa Paramount Wessels Mota. The Dikwankwetla party was aware of this constituency and in preparation for the 1975 election made strongly worded promises of economic reform, threatening to institute principles of free enterprise for Basotho traders in Qwaqwa and to expel the BIC (van der Merwe et al 1978: 536). Consequently, in 1975 when Dikwankwetla swept into power capturing 19 of the 20 elected seats in the new Legislative Assembly it received a strong mandate to meet the demands of

traders, organised by 1975 in the Qwaqwa Chamber of Commerce (also known as the Qwaqwa Traders Association).

Dikwankwetla responded swiftly to this pressure: By December 1975 the new Chief Minister, T.K. Mopeli, announced the termination of BIC activities in Qwaqwa and the formation of a new corporation structured around the interests of the Basotho trader, the Qwaqwa Development Corporation. Shortly afterwards, in June 1976 new legislation was approved by the Qwaqwa Legislative Assembly to reorganise business licensing at the local level. Kroonstad businessman and Minister of the Interior, M.C. Koekoe, who moved the Basotho Business and Trading Undertakings Bill, explained that the main aim of the legislation was to exclude the Harrismith municipality from business licensing in Qwaqwa and to ensure that this process was henceforth controlled directly by the tribal authorities and the Qwaqwa government (QLA 1976: 684). He expressed the hope that this measure would rapidly advance black business development in Qwaqwa and would bring back to the homeland much of the money spent by local consumers in white South Africa (Ibid: 86).

The wave of enthusiasm that filtered through the Basotho business community following these two announcements was shortlived. By March 1977, almost a year after the passage of the Trading Bill, it became clear that considerable confusion still surrounded the new legislation. Heated discussions in the Legislative Assembly revealed that the District Magistrate in Phuthaditjhaba, who had not yet received confirmation of Pretoria's approval of the bill, was continuing to apply the 'old' legislation in his assessment of new license applications. Incensed traders complained that the white magistrate was doing all in his power to stifle the business licensing process. They argued that he was harsh and

'technical' in his assessment of new applicants and favoured applicants who employed the services of white lawyers. As one speaker explained: "It appears that people who stand under the protection of a white goat skin are issued licences without any problem" (Ibid: 360). The continuation of restrictive practices, one speaker claimed 'mocked the Basotho' who had to queue at shops for 'about an hour to buy a box of matches' (Ibid).

At a political level the dissatisfaction of traders over the retention of outmoded licensing practices was expressed in a growing disillusionment with Dikwankwetla's ability to enforce economic reform. Some speakers argued that Dikwankwetla's tardiness on the licensing issue was deliberate, they had become 'complacent' and 'indifferent' to the needs of ordinary people after their convincing election victory (Ibid: 364). But Koekoe assured the Assembly that the fault lay not with the Qwaqwa government but with Pretoria, which was slow to react to their demands. He informed traders that their problems would be addressed immediately and that the cabinet would ensure that malpractices were eradicated until such time as a fully-fledged Licensing Board could be set up in the homeland (Ibid: 366).

But Dikwankwetla's efforts to placate local traders did not last for long. In 1977 with the announcement by the QDC that it sought to attract white commercial capital to Qwaqwa under the Tripartite Agreement System simmering discontent re-emerged within the Qwaqwa Traders Association. Since November 1976 the QTA had aligned itself strongly with NAFCOC's rejection of the TA system and regular meetings were held between the two organisations, resulting in negotiations between NAFCOC and the Qwaqwa government in 1977 (Keeble 1980: 37). These negotiations,

however, came to an abrupt halt in 1978 when the QDC publicly announced that it had invited Frasers, one of South Africa's largest white-owned chain-stores, to participate in a multi-million rand shopping centre scheme in Phuthaditjhaba. The QTA were now sceptical of NAFCOC's ability to solve their problems and sought private assistance from a group of Pretoria attorneys who were asked to draw up a memorandum stating the QTA's rejection of both the Tripartite Agreement System and the QDC shopping centre scheme. The document, which claimed to represent the interests of 350 local traders, was presented to the QDC in September 1979 (Chamber Memo 10/9/1979).

The growth of opposition to the Dikwankwetla party among traders in Qwaqwa was not an isolated event. Developments in other areas demonstrated deepening schisms within the emerging homeland petty bourgeoisie. Local teachers, organised in the Qwaqwa Teachers Association had, for instance, become increasingly critical of Dikwankwetla education policy. They were particularly concerned about the 1976 Qwaqwa Education Act which endorsed the central principles of Bantu Education at a time when this system was at the forefront of national political opposition (QLA 1977). They also complained that the Dikwankwetla party had lost sight of its initial manifesto by failing to equalise salaries between black and white teachers. Another pocket of strong opposition to the ruling party came from the Batlokwa chiefs who had been ousted from power in 1975. They argued that the Dikwankwetla party with its political core in the Bakwena Tribal Authority was increasingly discriminating against them in its allocation of local resources and funds (cf. Quinlan 1987: 42-44).

Of the latter two groups, traders found they had most in common with teachers, who shared their opposition to the tribal

political paradigm of the Batlokwa chiefs, and in 1978 formed themselves into a new opposition party called Mokga wa Setjhaba party. Although the basic groundwork for the establishment of this party had been done during 1977, Mokga wa Setjhaba only officially emerged after the 'No Confidence' debate of 1978 when Dikwankwetla chief whip, M.J. Mohlahli, crossed the floor with four other Dikwankwetla members, M.J. Maqabe, E.T. Chele, P.N. Bohloko and T.J. Sefale, to set up a new official opposition in the house. In the course of the 'No Confidence' debate the new opposition left little doubt as to the source of its support. Its criticisms of Dikwankwetla were confined to four major areas. Firstly, it questioned the tribal basis of homeland politics suggesting that the existence of non-elected tribal representatives in the Assembly ran contrary to established principles of constitutional democracy. Secondly, they accused Dikwankwetla of failing to institute effective 'Africanisation' within the local bureaucracy. They pointed to the leading role played by seconded white officials in all government departments and criticised Dikwankwetla for continuing disparities between white and black salaries. Thirdly, and more specifically, they slated the Qwaqwa Education Act for its ethnic focus and general adherence to the South African government's notions of black education. Finally, and also on a note of sectional interest, they lashed out at the failure of Dikwankwetla to institute meaningful reform for black traders (cf.QLA 1978: 13-95). Indeed, in view of these concerns it is significant that the leader of the new opposition was both headmaster of a local high school, and at the same time chairman of the QTA.

The response to the new opposition from within Dikwankwetla identified even more clearly the kernel of opposition support.

M.C Koekoe, responding to accusations by Mokga wa Setjhaba against his Department, claimed that:

Initially the Qwaqwa Chamber of Commerce insisted that they have authority concerning the licensing of businesses. However, today they deviate from this and want to form their own government...I want to make it known that the Chamber of Commerce in Qwaqwa intends taking over our government regardless of the progress being made in the homeland (QLA 1978: 107).

The Chief Minister endorsed these comments later in the debate when he suggested:

I want to explain and emphasise that Mokga wa Setjhaba should be regarded as a front for the local Chamber of Commerce. But we must further explain that they have disobeyed the policy and instruction of the President of NAFCOC, who stated that businessmen or business organisations should not interfere in politics as it is a dirty practice....It would be a sad day if our businessmen did not do what was expected of them and decided to take somebody else's place instead of helping the nation (Ibid:147)

While these conspiratorial explanations for the rise of Mogka wa Setjhaba gives some indication as to where the leadership of the new party lay, it would be incorrect to regard the 1978 split as a purely in-house affair. Evidence collected in the field suggests that the formation of Mokga wa Setjhaba enjoyed at least nominal support from urban voters on whom the Dikwankwetla had initially relied for support. In the 1975 election campaign Dikwankwetla had promised to address some of the day-to-day problems of urban dwellers, especially in the sphere of housing. However, after 1975 these promises were left unattended as the the ruling party turned its attention to growing numbers of refugees settled in the Bakwena tribal area. This shift in interest to a rural constituency was demonstrated, on the one hand, by the concerted effort made by T.K. Mopeli to integrate central governmental power with the Bakwena Tribal Authority (Quinlan 1987) and, on the other, by his emphasis on land incorporation and rural relocation as a central political issue

(Sharp & Martiny 1984). The exclusion of urban residents from the Dikwankwetla political programme caused further tension within the Legislative Assembly in 1979, leading to the dismissal of Ministers Koekoe and Ngake from the cabinet (SAIRR 1979: 317-18). Both these members were influential urban representatives who disagreed fundamentally with the Chief Minister on the Dikwankwetla approach to urban blacks. Koekoe in particular challenged T.K. Mopeli on numerous occasions for directing most of his attention to Basotho refugees in the Transkei and Thaba 'Nchu, while ignoring the plight of urban families being evicted daily under influx control legislation.

Although there was now considerable scope for an alliance between the ex-Ministers Koekoe and Ngake and Mohlali, this never materialised because of the strong personal conflicts that had emerged between members of Mokga wa Setjhaba and the incumbent Ministers of Interior and Education, who had been called on to defend the status quo during the 1978 split. Koekoe and Ngake instead formed their own opposition party Matla-a-Setjhaba and thereby thwarted the possibility of a united front to fight Dikwankwetla in the 1980 election [2].

Dikwankwetla and the 1980 Elections

The mounting political opposition to the Dikwankwetla party by the end of 1979 was compounded when a general election was called for 1980. T.K. Mopeli was aware that his power base had been eroded by the schism within his party and was particularly fearful of the urban support that potentially lay behind the Matla-a-Setjhaba party (QLA 1980: 40). Mopeli and his allies, consequently, approached the 1980 election with the aim of

suppressing political opposition.

This campaign was called on a number of fronts. At the local level Dikwankwetla used its control over schools and other potential venues for political meetings to prevent the opposition parties from canvassing support. Reports from opposition spokesmen claimed that it was customary for the Qwaqwa government to cancel meetings at the last minute and send Dikwankwetla's own speakers to address local villagers instead. A more serious accusation made against the ruling party concerned the use of village chiefs and headmen to influence voters. It was, for instance, noted that pitso gatherings were widely used as a public platform for Dikwankwetla spokesmen. In the 1980 pre-election Legislative Assembly debates senior Bakwena chiefs openly acknowledged their allegiance to Dikwankwetla and pointed to the role they would play in influencing voters. As Chief Haig Mopeli explained:

No-one will be forced or compelled to do anything. We, the chiefs, will only indicate the direction and say that in our opinion this is the government which is acceptable to us and which will render service to the nation (QLA 1980: 114).

This assurance notwithstanding, evidence was collected that pointed to the use of coercion by Bakwena tribal officials. Some traders, for instance, reported that villagers were commonly threatened with eviction from Qwaqwa if they did not cast their vote with the ruling party. These allegations have, however, been consistently denied by the ruling party. In Phuthaditjhaba there was also evidence that local resources were manipulated to elicit political support. In 1979 it was, for instance, recorded that Phuthaditjhaba town councillors were preventing non-Dikwankwetla members from obtaining municipal housing. This was documented by an official enquiry into the housing issue which revealed that

Dikwankwetla membership cards were being used as a pre-requisite for obtaining urban housing (QLA 1979: 593-622).

The activities of Dikwankwetla outside Qwaqwa were more diffuse, although considerable effort was made to canvass support from Sotho-speakers living in other homelands. From as early as 1976 when T.K. Mopeli first offered political asylum to Basotho refugees from the Herschel and Maluti districts, Sotho speakers in other homelands had become a focus of Dikwankwetla activities (cf. Streek & Wicksteed 1981). In fact, in 1978 when the leader of Mogka wa Setjhaba attempted to enter negotiations with the Maluti/Herschel South Sotho Central Committee he was strongly reprimanded by the Chief Minister (QLA 1978: 149). In 1978 the Chief Minister's concern for rural refugees was again demonstrated when Dikwankwetla launched a major campaign to assist Sotho residents in Thaba 'Nchu, a small enclave of Boputhatswana in the OFS. Regular delegations from the Qwaqwa government were sent to the area to investigate the plight of residents in squatter camps there, especially in the newly created Onverwacht slum, and to negotiate with the Boputhatswana government. In 1979 to confirm Dikwankwetla's hold over Thaba 'Nchu refugees, a blanket ban was placed by the Qwaqwa government on political meetings by any of the opposition parties in Onverwacht (known officially as Botsabelo). It was also alleged by the leader of the opposition that T. K. Mopeli was using Radio Sotho to encourage people to go to Onverwacht and on arrival there forcing them to become members of Dikwankwetla (QLA 1980: 54).

The ability of Dikwankwetla to mobilise support in urban areas was, however, more constrained because of their lack of direct

influence in these areas. Yet, in spite of this, it was noted that white officials were prepared to lend support to their campaign. For instance, in March 1980 a group of opposition politicians were conveniently arrested by the police for attempting to attend a Dikwankwetla rally in the town. They were released without charge shortly after the rally. The co-operation between Dikwankwetla and the SAP was endorsed in April 1980 when Mr Koekoe laid a complaint that an SAP orchestra had been used to lead a Dikwankwetla procession through the streets of Phuthaditjhaba in the build-up to the election (Friend 14/4/1980). Another technique used by the ruling party was to carry bus loads of rural supporters to urban meetings using government transport. This misuse of public resources was challenged in the Legislative Assembly by the opposition who argued that Dikwankwetla was using devious methods to create a facade of urban support.

Finally, and having taken all the above precautions, it is believed that government officials tampered with the election result itself, in which the ruling party captured all 20 seats. This belief resulted in the opposition parties combining after the election to file a case against Dikwankwetla at the Rand Supreme Court for tampering with the election results. These legal proceedings were drawn out over a period of four years before the election was officially endorsed in September 1984. The opposition felt that the court ruling had been politically motivated.

The New Regime and the Politics of Patronage

The 1980 elections, although shrouded in controversy, marked the

beginning of a new phase in the relationship between traders and the Qwaqwa government. The realignment of political forces behind the Chief Minister served to consolidate the alliance between the Bakwena Tribal Authority and the ruling party, opening the way for greater repression and tighter internal control.

When T.K. Mopeli returned to office in 1980 his first major objective was to take full control of the institutional framework of homelands politics: the Legislative Assembly and the Tribal Authorities. This had been partially achieved through the 1980 election, but the potential for political opposition within the Tribal Authorities remained an important consideration. Since 1974 when Batlokwa Paramount Wessels Mota had been ousted from power, T.K. Mopeli had attempted to reorganise tribal power in Qwaqwa by forging close links with members of the Mopeli clan at the expense of Batlokwa chiefs and powerful non-Mopeli chiefs in the Bakwena area. The appointment of Chief Haig Mopeli and Paramount Matabang Mopeli to ministerial positions after the expulsion of Ngake and Koekoe from the cabinet in 1979 is illustrative of this tendency. Quinlan (1987: 44) provides further evidence when he suggests that by the early 1980s Mopeli agnates occupied 14 of the 15 top positions in the Bakwena Tribal Authority. This attempt at creating a coherent and loyal political following from within the Tribal Authorities was consolidated after 1980 with the passage of the 1983 Qwaqwa Administration of Authorities Act, which gave the Chief Minister discretionary powers to appoint and dismiss chiefs. The new system also reduced the number of senior chiefs in the homeland to ensure greater centralisation and control of tribal affairs (cf. Quinlan 1987).

techniques were also used to win over support from the opposition. The following case study of a Phuthaditjhaba businessman illustrates how the control of local resources, especially business licences, could be used to win recruits:

Case 2.1: Reaching a political compromise

Marumo was resettled from Welkom to Qwaqwa in 1970 for running an illegal watchmaking business on the mines. After arrival in Qwaqwa, he struggled for a number of years to set up a small retail business, but was prohibited from getting a licence by the Harrismith municipality.

By 1977 Marumo was tired and frustrated, and in desperation decided to join the QTA where he could share his grievances with other traders. This association proved to be a fruitful one for Marumo and with the assistance of the association he was managed to obtain a license to operate a kiosk in the Phuthaditjhaba stadium.

Marumo's involvement with the QTA after 1977 also introduced him to members of the new Mogka wa Setjhaba party, who provided him with advice and assisted in his business. By 1980 he was fully integrated into the new party and participated actively in the party's election campaign. Even after the election Marumo remained a loyal supporter of Mogka wa Setjhaba and offered to make a statement to the Supreme Court about the irregularities he had noted at the Phuthaditjhaba stadium on the day of the election.

But with his increased political involvement, Marumo began to experience problems with the Qwaqwa government who wished to restrict his business hours on the grounds that the Phuthaditjhaba stadium was only fully used over weekends. Marumo complained about this 'injustice', but was told that members of the opposition should expect this kind of treatment.

In June 1981, after considering his position carefully, Marumo decided to withdraw from the opposition and joined Dikwankwetla. He withdrew his affidavit implicating a Dikwankwetla politician with election irregularities. For this decision Marumo was rewarded with a permanent cafe licence by the Minister of Interior. By 1984 Marumo was politically active within Dikwankwetla as a regional organiser.

In conjunction with attempts such as this to undermine the opposition's court case, business licensing was also used more generally as a means of party recruitment. To be sure, this tendency had existed prior to 1980. From 1978 when the Minister of Interior was able to issue licences at his personal discretion

the system was open to abuse. Yet, there is little evidence to suggest that political factors played a significant role in the issuing of licences until 1979 when Minister Koekoe was dismissed for refusing an application recommended by the Chief Minister (SAIRR 1979: 318). After this incident the licensing procedure again came under official scrutiny with the new Mogka wa Setjhaba party claiming that a Licensing Board should immediately be established with representation from the QTA. Dikwankwetla, however, rejected this idea and it was decided that until a proper Licensing Board could be constituted the cabinet would take responsibility in this field. Abuse of the licensing process for directly political ends now became more widespread, especially since the core of the opposition lay in the QTA.

In 1981, following Dikwankwetla's decisive victory in the 1980 election, steps were eventually taken to establish a Licensing Board in terms of the Qwaqwa Business and Trading Undertakings Amendment Act. In the discussion surrounding the Bill, an appointed representative of the Batlokwa Tribal Authority, M.J. Letsela, suggested that it was imperative for the Phuthaditjhaba Town Council, the QDC and the 'Chamber of Commerce' to be represented on the Board. He suggested an appropriate amendment which was seconded by fellow Batlokwa member, H.A. Mohale. The Legislative Assembly then adjourned before the final reading of the Bill. However, when the Bill was read for the final time the Batlokwa members mysteriously withdrew their amendment and replaced it with the original clause which gave the Minister of Interior, a Dikwankwetla stalwart, Motabang Mopeli, complete control over the appointment of representative to the Licensing Board. The Act was then passed with no further objections (QLA 1981:44-67;93-100).

The political implications of the 1981 Act were that, although the ruling party had eventually relented on the issue of a Licensing Board, it had done so without relinquishing its overall control over the licensing system. The establishment of political patronage as a premise for commercial involvement in Qwaqwa after 1980 is clearly illustrated in the following two case studies:

Case 2.2: Serving the Nation

William came to Qwaqwa in 1978 after being dismissed from the African Methodist Church in Senekal for selling Qwaqwa citizenship to farm families in the district.

On arrival in Qwaqwa William was immediately rewarded for his political work by being allocated a job as housemaster at a local teachers training college. He continued to work closely with Dikwankwetla during the 1980 election, organising Dikwankwetla supporters in Senekal and Vereeniging where his brother was standing as a candidate for the party. In 1981 William, although theoretically unable to obtain a business licence because of his work in the civil service, was granted the special concession of being able to open a trading store in Setsing centre, while retaining his job as housemaster at Bonamelo training college in Phuthaditjhaba.

Case 2.3: Reading the Political Tide

James was educated and brought up in the Evaton location in Vereeniging, where after completing school in the late 1960s he obtained a clerical job with the Oranje Vaal Administration Board. He maintains that from the outset he regarded the job only as a means of saving enough money to one day enter business.

By 1977 James had saved about R4 000 and made an application to the Evaton township superintendent for a licence to open a coal yard. This application was, however, turned down on the grounds that there were already too many wood and coal dealers in the area. James now adopted a new course of action by applying for a general dealer's licence, but this was also denied him on similar grounds.

Eventually in 1979 James relinquished his urban rights to take up residence with his brother, a local storekeeper, in Makong village, Qwaqwa. Initially, he did not apply for his own business licence, but simply helped his brother in his store. James explained: "Before I decided to apply for my own business, I felt it was necessary to familiarise myself with all the opportunities in Qwaqwa. I wanted to know what cards were on the table before I played my hand". The kind of 'cards' James was referring to were increasingly exposed after 1980 when he noticed the progress his brother had made in business after joining the Dikwankwetla party. Following this strategy, James joined Dikwankwetla, before

making a successful application for a coal yard licence.

After 1982 James increased his involvement with the ruling party by standing as a candidate for the newly established "village committees", designed to assist Dikwankwetla with the administration of these areas. By 1984 he felt that he had accumulated sufficient political credibility to make a second business application. James was aware that it was unconventional for the Licensing Board to issue individuals more than one licence. He consequently decided to soften the blow by approaching the QDC for support. In March 1984, with all his credentials in order, James was granted a licence to open a supermarket in Phuthaditjhaba.

Although the above two cases clearly illustrate the growing importance of political patronage in the practice of political domination after the 1980 elections, they also point to the extent to which traders themselves were able to manipulate party allegiance for personal gain. In the latter case it is, for instance, clear that James' support for the ruling party had far less to do with his personal commitment to Dikwankwetla's political vision than it had to do with his understanding of how local resources could be manipulated for personal gain. The tightening control of Dikwankwetla over Qwaqwa as a whole was becoming painfully clear to other traders as well, especially those in the opposition QTA. The options seemed relatively clear, either they followed William and joined the ruling party or they left the homeland. These pressures, combined with the constant demands placed on the QTA members by opposition parties for assistance to cover the expenses relating to their court hearings, put exceptional strain on the QTA after 1980.

The Final Coup: Constructing a New Chamber of Commerce

The decline of the QTA after 1980 was closely linked with the dissolution of Mogka wa Setjhaba as an important political force in Qwaqwa. Mike Mofokeng, one of the 16 businessmen who stood for

Mokga wa Setjhaba in the 1980 election, explained that:

At first we were confident that we would be able to declare the election null and void by taking the matter to the Supreme Court. But many of our followers were sceptical of this strategy. They argued that homeland leaders like Sebe had already been taken to court for the same reasons without the opposition making any headway. Businessmen in Qwaqwa were especially worried that if they continued to oppose Dikwankwetla they would lose their licences and as a result many of them now made amends with Dikwankwetla and renewed their membership cards. This has serious implications for the party as a whole because we relied on these people for finances and support.

Another local businessman and Mogka wa Setjhaba member referred specifically to loss of local leadership as a reason for the decline of the party after 1980:

Our problem after the election was that most of the local party leadership moved to urban areas. Some of them moved by choice, others were hounded out by Dikwankwetla....This trend caused the party to become weak and vulnerable.

The withdrawal of the opposition political elite from Qwaqwa after 1980, while closely related to Mopeli's clampdown on political dissidents, was also influenced by the prospect of a refurbished community council system in urban areas. In 1980 Minister of Co-operation and Development, Piet Koornhof, announced that he would introduce legislation in 1981 that would provide for the transformation of community councils into fully-fledged local authorities. Township elections scheduled for 1980 were, consequently, temporarily postponed to allow the 'new deal' to become law (Bloch 1982: 64). The wide powers promised to the new councils, including control over township finances and business licensing, proved highly attractive to opposition politicians, who had done much of their political campaigning in urban areas during the 1980 Qwaqwa elections. Businessmen with urban connections were particularly favourably disposed to the new system that offered a way out of the increasingly politically loaded business licensing system in Qwaqwa. The switch of focus

away from Qwaqwa by leading opposition politicians was clearly demonstrated with the election of M.C.Koekoe and J.Ngake as the majors of Kroonstad and Welkom respectively in 1982. [Recent evidence collected by Haysom (1986: 22), interestingly, connects former Matla-a-Setjhaba members, Ngake and Tlali, with vigilante murders in Welkom during 1985].

The loss of prominent Qwaqwa businessmen and politicians to the Community Council system in urban areas after 1980 had important implications for the QTA, which was rapidly losing its coherence as a local political force. This was clearly demonstrated by the inability of the QTA to respond to the the QDC's renewed commitment to the Tripartite Agreement system after 1980 and the concurrent plans for extending the shopping centre concept into the closer settlement areas. In 1981 four additional centres were planned for Namahadi, Tseki, Makwane and Tseseng. As one ex-member of the QTA explained:

I would say that after the election there was a feeling of complete disillusionment in the QTA. We had struggled hard with Dikwankwetla and there was nothing to show for it - not even one representative in the Legislative Assembly! Many traders now felt that the fight against the QDC was lost and withdrew from the QTA. Some even argued that it would be better to negotiate with the QDC than to fight them.

The decline and eventual dissolution of the QTA after 1980 left a vacuum for the emergence of the new Chamber of Commerce, prepared to seek reconciliation with the QDC and the Qwaqwa government. In 1982 this Chamber was brought into existence under a group of loyal Dikwankwetla supporters led by the Molefe brothers from Harrismith. Within a matter of months of the formation of the new Chamber negotiations were set up with the QDC. In September 1982 the first of a series of meetings were held between the two organisations to discuss the shopping centre issue, and by January 1983 the Director of the QDC was able to report that:

The relationship between the Chamber of Commerce and the Development Corporation is excellent....Whenever there is a difference of opinion the matter is discussed thoroughly until a consensus is reached [translation from Afrikaans] (QDC memo 31/1/1983).

He also encouraged the new Chamber to refrain from attempting to operate as a political party and to realise that "its objectives can be more easily achieved if it operated in harmony with the Government and if it has the active support of the Government" (Ibid).

Yet while the new Chamber of Commerce had clearly opted for a policy of conciliation, it also realised that explicit links with the government undermined its potential to generate local support. In February 1983 it demonstrated this by rejoining NAFCOC and by refusing the Chief Minister's offer to become 'Honourary President' of the Chamber. These attempts at projecting an image of autonomy were, however, seriously undermined because leading executives of the new Chamber were co-opted onto the QDC's board of directors by 1983.

The growing trend towards political and commercial centralisation was not without its contradictions and tensions. During the course of my fieldwork, I was aware of strong conflicts of interest between the QDC and leading Chamber officials. One of the areas where this was increasingly coming to the fore was in the sphere of urban real estate. In 1982 the QDC had pre-empted the expansion of freehold rights to Phuthaditjhaba by investing large amounts of capital in luxury housing schemes. These houses when complete were offered to the Qwaqwa public at exorbitant prices. Initially the schemes attracted little local attention, but after the granting of housing subsidies to black civil servants there was a sudden rush for the new accommodation.

Leading businessmen, realising the escalation of demand in this area, also sought to participate in the real estate market by purchasing and developing property. In 1984, in spite of opposition from the QDC, these owners managed to extract sites from the Qwaqwa Tenure Board and set themselves up in competition to the QDC. This development caused considerable tension, especially since independent businessmen using local cheap labour were able to offer their homes at considerably cheaper prices than the QDC.

The other issue on which members of the new Chamber and the QDC still clashed was the question of the absence of freehold rights in QDC shopping centres. Leading Chamber members argued that the QDC was being directly obstructionist in this field by demanding excessive rents from traders who could afford to purchase their business premises. As one owner explained:

When we started negotiating with the QDC we accepted that the shopping centres were here to stay. This was a non-negotiable issue as far as the QDC was concerned. All they were prepared to concede was that Basotho traders would in future be given preference over white firms in occupying these premises. We were prepared to accept this, but what we will not tolerate is the QDC's attempts prohibit us from owning our own premises. The QDC cannot always expect us to swallow the food they provide!

The conflicting interests illustrated in the above two examples suggest that, while close links between Qwaqwa leading businessmen, Dikwankwetla and the QDC have facilitated a degree of consensus on the question of economic development, there exists considerable scope for tension between these groups for the spoils of these investments. Leading Qwaqwa businessmen objected to the corporate control exercised by the QDC in critical spheres of local investment. They were concerned about the financial costs of political involvement. In September 1984, for instance, politically aligned businessmen were requested by

handful of pensioners and school children awaited the dignitaries arrival. The whole episode, one QDC official explained, was "a terrible embarrassment for the Chamber - it's probably the smallest audience Dr. Motsuenyane has ever addressed!".

Footnotes

[1] This chapter might be read in association with Tim Quinlan's (1987) 'The Tribal Paradigm and Ethnic Nationalism: A Case Study of Political Structures in Qwaqwa' (Transformations, 2). Both pieces cover the same period, although from two different angles. His paper focuses specifically on the refurbishing of chieftaincy and the construction of ethnic nationalism during the contemporary period.

[2] The failure of Mokga wa Setjhaba to recruit Koekoe and Ngake did not detract from their efforts to campaign for urban support. This was clearly reflected in the 1980 pre-election meeting of the Legislative Assembly (1979: 52-70). In this debate the leader of the opposition lashed out strongly against the Community Council system

[3] Accusations against Dikwankwetla for using government vehicles for party political purposes were brought to the attention of the Legislative assembly by E. T. Chele prior to the election (QLA 1979: 63).

[4] Mopeli's movement away from Black Alliance politics occurred shortly after the 1980 election when he came out in support of Republic Day. Buthelezi, incensed by Mopeli's statements, accused him of "political delinquency" (Friend 11/6/ 1981).

CHAPTER THREE

ROUTES INTO BUSINESS: EXPERIENCES FROM TOWN AND COUNTRY

Sociological studies of entrepreneurship have been primarily concerned with the motivational aspects of economic innovation. They have placed great stress on the importance of the social backgrounds of entrepreneurs in determining their differential responses to economic opportunities. Two related perspectives have dominated these studies. Firstly, following Weber's The Protestant Ethic and the Spirit of Capitalism, there has been an emphasis on the relationship between ideological commitment, socialisation and entrepreneurship. Studies that draw on this tradition tend to regard the values and experiences encountered during socialisation as instrumental in structuring the entrepreneurial response (McClelland 1966; Kunkel 1970). The second perspective, which is clearly linked to the first, focuses specifically on the relationship between marginality and entrepreneurship. It is argued that individuals socially or culturally excluded from the mainstream of society attempt to compensate for their disabilities by applying themselves conscientiously to economic matters (Hagen 1962; Geertz 1963; Levine 1966).

However, while a considerable amount of literature has been devoted to both perspectives, these broad motivational theories of entrepreneurship have remained unable to cover adequately the full range of responses encountered in reality. Part of the reason for this is that these analyses have concentrated on intangible social resources without properly considering the material prerequisites for entrepreneurial activity. Marris and

Qwaqwa to the changing commercial opportunities that were made available to them on arrival in the area. I will look separately at the different routes into business pursued by ex-farm workers, urban immigrants and original inhabitants in Qwaqwa. In attempting to demonstrate the different trends and relationships referred to in the chapter I will introduce a number of case studies, which serve both the immediate aims of this chapter as well as providing a base for further discussion in later chapters.

ORIGINS, RELOCATION AND RESOURCE ALLOCATION

Ex-farm Workers

By 1984 more than 90% of Qwaqwa's adult population had lived in the homeland for less than 15 years. The vast majority of these people arrived in Qwaqwa as refugees from white-owned farms, in the north-eastern OFS, Transvaal and Natal and were resettled on urban-sized residential plots in congested closer settlement villages. Although the specific circumstances surrounding farm removals varied widely, few rural families came to Qwaqwa completely of their own accord. Research conducted by Sharp (1982), Krause (1982), Niehaus (1984) and Salo (1984) has revealed that relocations from white-owned farms occurred within the context of the growing mechanisation of agriculture in the western Transvaal and the north-eastern OFS during the 1960s and 1970s. This process, which was to a large extent sponsored by state subsidies, transformed the nature of agricultural labour. De Klerk (1983) has argued that the impact of mechanisation on the western Transvaal maize belt was to reduce employment,

increase underemployment and broaden the division of labour on farms. Workers formerly engaged in diverse activities such as milking, weeding, threshing and reaping were either forced to specialise by learning new labour skills or were gradually excluded from full-time farm labour. Sharp (1982) extends these observations to the mixed farming (maize and cattle) belt of the north-eastern OFS, but suggests that mechanisation occurred more slowly and unevenly in this region.

In this context the chief problem facing farmers was to rid themselves of the responsibility of reproducing an unproductive labour force (Ibid). Initially, they responded, as Sharp has shown, by allowing idle workers to seek wage employment in nearby towns and at rural labour bureaus. But this process gained little momentum for two reasons: firstly, farmers feared that by allowing all workers access to urban jobs they would lose their more skilled employees; secondly, at a structural level, changes in labour legislation increasingly directed labour recruitment to the homelands, the preferred destination for unemployed black workers. The latter shift in emphasis in state policy enabled farmers to justify forcible eviction of surplus workers (Niehaus 1984). But it also provided redundant workers with the option of moving to the homelands of their own accord to find better jobs. The insistence by many farm workers that they moved to Qwaqwa 'voluntarily' to secure migrant employment and to educate their children must, nevertheless, be seen against the backdrop of growing inactivity among certain sectors of the rural workforce, declining real wages and the general reluctance of white farmers to support 'superfluous blacks'.

Mass relocation in Qwaqwa during the 1970s saw tens of thousands of ex-farm workers herded into closer settlement villages and

transit camps every year. Conditions in these areas were appalling: large families of ten or more people were crammed onto small urban-sized residential sites, terraced against the rocky mountain slopes of the Drakensberg foothills. They were forced to construct their own tin and mud shacks, and were provided with only the most basic amenities such as pit latrines and communal water points. Essential facilities such as public transport, retail stores and labour recruitment points remained absent from these areas until the late 1970s. Moreover, as a result of the circumstances surrounding relocation most farm workers were unemployed on arrival in Qwaqwa and were usually forced to wait long periods before they managed to obtain manual migrant jobs to support their families. These jobs were also often insecure as they were based on non-renewable contracts that sent migrants back to the Qwaqwa labour bureaus at the beginning of each year (Spiegel & Sharp 1986).

Despite the poverty and insecurity that faced ex-farm workers in Qwaqwa, some of them - a very small proportion - did manage to open businesses after arrival. These individuals, representing approximately one-third of the sample (25 out of 80 owners), were comprised mainly of rural retailers who entered commerce concurrently with engagement in migrant and commuter employment. In most cases these individuals had arrived in Qwaqwa in the early 1970s and had been able to obtain semi-skilled work as drivers, bricklayers, carpenters and indunas (supervisors). They were also commonly members of households with multiple wage earners, which enabled them to reinvest part of their earnings in small-scale commercial activities in Qwaqwa which could be run by kin in their absence. This strategy of reinvesting wage earnings in informal sector activities was seen to be particularly

successful in the early 1970s and mid-1970s when business licensing was still controlled by the Harrismith municipality and shortages in basic needs items were acute in virtually all closer settlement villages. To illustrate the way in which some rural households were able to manipulate their relatively large earnings to meet local consumer demands, it is instructive to consider the case of Tlali, a small general dealer store owner in Tseki.

Case 3.1: Earning two incomes from one job

Tlali arrived in Qwaqwa from a farm in the Zastron district in 1972. After spending six months at the Namahadi labour bureaus, he was recruited by an electrical company in Welkom as an apprentice electrician. At first Tlali was paid badly, receiving only R25 a week, but his salary increased as he became more skilled at his job. In fact, by 1974 Tlali was earning R90 a week and was able to use his reputation in the firm to obtain employment for his younger brother, Moses, who had stayed at home with his wife. Between 1974 and 1976 the combined earnings of Tlali and Moses were more than adequate to meet the household's demands in Qwaqwa. This gave Tlali the opportunity to invest his earnings in clothes that could be sent home for his wife to resell in the villages. This strategy proved to be highly successful and by 1976 Tlali had managed to establish a system whereby merchandise and profits flowed to and from Welkom and Qwaqwa through a network of reliable workmates. Indeed, the success of Tlali's part-time business was such that in October 1976 he was able to afford a good second-hand pick-up truck, which allowed him to travel home more regularly with larger quantities of goods. Tlali claimed that he now wished to withdraw from wage employment and open a small retail business in Qwaqwa. In 1977, with starting capital of R7 000, he acquired a licence to run a general dealer store in Tseki.

The combination, in the above case, of kin co-operation, relatively large household earnings and local scarcities in basic needs items emerged as a common pattern of access to the rural retail trade. The key to the successful transfer of goods between town and country was based crucially on the location of co-earning kin and the reliability of support networks in the countryside. The fact that Tlali and Moses worked for the same firm in Welkom enabled them to co-ordinate their remittances and

collectively plan commercial strategies. Yet, it must also be emphasised that the scope for expanding small-scale commercial activities into large ones was restricted specifically to the period between 1972 and 1975 when the demand for consumer goods far outstretched supply. After 1976, with the issuing of a large number of general dealer licences, the scope for successful petty trading declined rapidly as these larger stores concentrated in the hands of a few individuals a whole range of commodities that had previously been traded by specialised hawkers. By 1980, with the establishment of large white-owned supermarkets, the opportunity for petty traders to fill a niche in the village consumer market had diminished markedly. The data collected by Sharp (1982) and Niehaus (1984) in Tseki village in the early 1980s characterises hawking as a highly involuted activity, employed only as a survival strategy.)

Besides those individuals in this segment of the sample that entered licensed retailing in or shortly after 1976 by means of petty trading, there were a small number of owners in rural areas who set up businesses during the late 1970s, but used different points of access. The first of these routes involved participation in the local building trade, which had sprung up in the wake of government drives to construct schools in the closer settlement areas and residential accommodation in Phuthaditjhaba.) Ex-farm workers, who either arrived in Qwaqwa with bricklaying skills or acquired them subsequently on the urban labour market, were able to contract their services to the Qwaqwa government from the mid-1970s onwards in return for considerable financial rewards. Some local builders earned between R200 and R300 a week in 1978.) The availability of this secure and lucrative form of local employment provided a firm basis for entry into licensed

of a commercial liquor trade in Witsieshoek in any detail since that would have required an entirely separate oral history project. I merely wish to point to the historical depth of commercial liquor dealing in the reserve and highlight some of the continuities between urban and rural liquor trading.

Charles van Onselen (1982) has recently argued that enlarged agricultural surpluses in the Transvaal in the 1880s were an important antecedent to the emergence of liquor production on the Witwatersrand. The use of liquor as a means of storing agricultural surplus, he argues, is a recurring historical theme in the transition from feudal to capitalist agriculture in Europe (1982:45). In a similar vein, commercial liquor production in the north-eastern OFS, manifested in the establishment of the Demarillac Distillery in Harrismith in 1895, appears to be closely related to the consolidation of an increasingly capitalist white farming sector in the region in the late nineteenth century (cf. Keegan 1981).

The arrival of commercially produced liquor in Witsieshoek and northern Basotholand in general preceded the growth of a local liquor industry in the OFS. Keegan (1986: 202) notes that by the 1880s:

A number of liquor canteens has sprung up [in Basotholand], where Basotho illicitly exchanged grain for cheap often unadulterated Cape Brandy - a muid of grain was often exchanged for a bottle, ensuring big profits for liquor vendors.

Walton (1958) corroborates this evidence by suggesting that white farmers were engaged in smuggling copious quantities of liquor across the eastern border of Basotholand in the 1890s. He quotes a Basotholand missionary:

the strongest and vilest Cape Smoke [brandy], we call it 'kill at forty yards', is daily being smuggled into the country by unprincipled men, both Dutch and English, and a whole string of

illicit grog shops and canteens exist along the border (p.30).

Despite the availability of Cape liquor in Witsieshoek by the late nineteenth century, there is no evidence to suggest that Cape liquor was used in Witsieshoek in large quantities prior to the 1890s. Missionary evidence suggests that Paramount chief Paulus Mopeli was opposed to the illegal liquor trade and only encouraged the brewing of traditional jwala (Badenhorst 1944: 258). But, with the arrival of the Harrismith distillery and the outbreak of the Anglo-Boer War, conditions began to change in Witsieshoek. Several factors seem important in the transformation of local attitudes. Firstly, the closure of the mines and OFS roadworks brought migrants home with first-hand experience of the liquor trade in the compounds. Secondly, the arrival of 20 000 British troops in Harrismith heightened local awareness of the popularity of commercial liquor. Thirdly, the death of Paulus Mopeli in 1897 and his replacement by the rebellious, anti-mission Ntsane Mopeli undermined the temperance philosophies of the Dutch Reformed church (Ross 1930: 60). Fourthly, the vacation of white farms in the Harrismith area during the war enabled Witsieshoek residents to travel freely to nearby towns to purchase liquor (Steytler 1932).

Whatever the combination of these factors, there is little doubt that local brewers in Witsieshoek were selling mixtures of traditional beer and commercial liquor for profit during the war. Describing conditions in the reserve, Badenhorst (1944) maintains that 'drunkenness' and 'anarchy' were interrupting the work of the mission. Rev Ross' letters reveal a similar complaint:

There is no law and order in the reserve at all....Beer brewing and drinking, pagan dancing and all sorts of terrible things are occurring. Moreover, many beer canteens have been set up and sell beer to the public. The reserve will soon be full of canteens. I have already protested about this to the chiefs [translation from

Afrikaans] (Ross 1930: 57).

The initial growth of commercial brewing waned with the restoration of law and order in the reserve after the war and the tighter implementation of the 1897 prohibition on liquor sales to Africans in white areas. But commercial brewing did not disappear. This is confirmed by missionary reports and the descriptions of reserve life found in the opening chapter of Mopeli-Paulus' (1952) Blanket Boy's Moon. Mopeli-Paulus, writing of the conditions in Witsieshoek before the 1913 Land Act, maintains that landless widows and other women made a living from the sale of beer: "in order to make more money , they added certain liquors to their brew which quickly made men drunk and senseless" (1953: 21).

The oral accounts of the liquor trade in the 1920s and 1930s provide rich descriptions of the kinds of concoctions brewed in the area with the arrival of new recipes from urban areas. But at the same time they describe a liquor trade with little vitality, which was relatively homogeneous and conservative. Commercial beer production remained linked with ritual occasions, agricultural festivals, letsema gatherings and domestic consumption patterns. Rural women in Witsieshoek could only improvise urban traditions of which they had little or no personal experience. In this sense, the Witsieshoek trade lagged behind other reserves located closer to the city. La Hause (1983: 9), for instance, suggests that in parts of Natal rural women manipulated the five-day pass system to travel into Durban over weekends to sell large calabashes and paraffin tins of utswala to migrants, thereby retaining some continuity between brewing traditions in town and country [13]. The distance of Witsieshoek from the major cities excluded these possibilities and prevented

rural brewers from extracting large profits by penetrating into urban areas. Local accounts depict the reserve trade as small and irregular, peaking at periods when large numbers of migrants were home.

The activities of liquor traders in Witsieshoek during this period were not comparable with those of their urban counterparts who fed on media images, cross-cultural contact and urban dance and music subcultures to establish vibrant drinking houses (cf. Coplan 1985). Shebeeners in Witsieshoek were neither cultural innovators nor aspirant capitalists [14]. They simply serviced the needs of migrant workers by integrating urban drinking habits with established rural liquor consumption patterns. In this sense the operations of liquor traders contrasted markedly with those of retailers and transport operators prior to the 1960s.

The Rise of the Liquor Trade in Qwaqwa

Conditions in the liquor trade improved marginally in the 1960s with the lifting of the prohibition on African liquor purchasing in white areas. In 1962 it became legal for blacks to carry up to nine litres of bottled liquor from white residential areas into locations. This measure, combined with increasing population relocation from the mid-1960s, stimulated liquor sales in the reserve. But at the same time there were still important limitations. Firstly, there were no bottlestores in Witsieshoek during the 1960s, forcing shebeeners to carry the expense of regular journeys into Kestell and Harrismith to purchase liquor. Secondly, this period was typified by the influx of farm families into Qwaqwa who had little experience of shebeening. Liquor

consumption in the OFS countryside was generally confined to domestic units where women brewed beer daily for the household head. The residential locations on most farms were also too small to commercialise liquor production.

Increased urban removals to Qwaqwa in the 1970s, however, moved the core of the shebeen trade to Phuthaditjhaba. The urban relocation policy to Qwaqwa had two aspects. On the one hand, it concentrated on resettling entire urban communities in 'freehold' locations. The most striking cases of this were witnessed in the demolition of the Schoonplaas locations in Harrismith in 1972 and the Vergenoeg location in Senekal between 1972 and 1975, while other examples involved mass removals from Bloemfontein, Aliwal North, and Vereeniging. On the other hand, the state concentrated on weeding out 'superfluous' and 'undesirable' elements in a wide range of urban areas. The vast majority of these individuals, exposed to influx control removals, were women and pensioners. Initially, they were resettled in a two-roomed housing complex at the east end of Phuthaditjhaba known as Maghekung, literally "place of the old", but when this accommodation was exhausted they were dispersed in among closer settlement residents. Many were located in a new segment of Namahadi which they called Mangaung, after the Bloemfontein location whence they had come.

The marginality of single women - deserted, widowed or divorced by their husbands - from the male-dominated migrant and commuter labour markets in Qwaqwa forced large numbers into the familiar activities of shebeening and hawking. My interviews revealed that a number of these women were already second generation shebeeners, brought up on concoctions such as skokiaan, skomfana, 'shimiyane and magasimani. This experience enabled them to emerge as the new homebrew 'shebeen queens' of the early 1970s. It is

perhaps worth emphasising that, in spite of their innovative brewing styles, these women seldom generated large profits by their efforts. (This was particularly true in the impoverished closer settlements, where most household incomes could not be stretched to such luxuries as commercially brewed beer.)

After the mid-1970s employment patterns in Qwaqwa became more stable, especially with the mines cutting down on foreign recruits. According to the National Manpower Commission, the number of migrants increased in Qwaqwa from 7 000 in 1975 to 43 000 in 1980, while the available commuter jobs grew from about 1 500 to 6 800 over the same period (SAIRR 1975/81). A considerable number of local construction jobs on roads, schools, clinics and township housing were created by the Oranje Vaal Administration Board. These developments cultivated local demand for mass-produced liquor, especially bottled beer. In closer settlement areas storekeepers emerged as important brokers in the new trade. As owners of refrigerators, and regular commuters to Harrismith they were able to supply both the shebeen trade and the general public with bottled beer. Another interesting development in the rural trade in the late 1970s was the development of a fortnightly shebeening cycle in Bakwena villages such as Botsabela and Mangaung. These areas, located close to the Phuthaditjaba labour bureau, were the main recruiting zones for SASOL migrants and as such were the destination of the fortnightly pay packets of these workers. This distinctive cycle, however, declined in 1983 when the SASOL plant at Secunda was completed.

In Phuthaditjaba new employment opportunities, as well as the arrival of increasing numbers of teachers and bureaucrats with

westernised drinking habits, rapidly transformed shebeening. New demands for spirits and bottled beer introduced specialised liquor runners into the trade. These individuals negotiated bulk purchasing agreements with Harrismith bottlestore owners and resold their liquor in Phuthaditjhaba at inflated prices. The ready availability of bottled liquor from these runners produced a local price war in the town between 1977 and 1979, the average price of 750 ml of beer in shebeens dropped from 90 to 70 cents. This competition was compounded in 1979 with the establishment of the first black-owned bottlestores in the town. Under these circumstances it became imperative for shebeeners to specialise in order to avoid being ousted from the liquor market by owners of large drinking and retailing depots. Although it is difficult to document the full variety of operations in the town by 1980, three types stand out, which I shall term 'neighbourhood outlets', 'general drinking houses' and 'club shebeens' (cf. Chapter Four).

Neighbourhood shebeens were the most common in Phuthadithaja in the early 1980s when there were at least three on every block. They were run predominantly from the homes of single women who exploited a common residential identity to sell a combination of bottled beer, mass-produced sorghum beer ('Big S') and homebrews, especially the fast brewing magasimane made from sugar, bread yeast, malt and flavoured with fruit. The profits of these operations were small and their markets competitive. Club shebeens, on the other hand, catered specifically for the needs of the aspirant middle class and were structured around common occupational and recreational interests. In contrast to the smaller neighbourhood outlets, they sold mainly bottled liquor, especially beer, and were often run by husband and wife.

combinations. 'Teacher' shebeens were probably the most common in this category, although high-class outlets operating from self-built homes were making their mark by the mid-1980s. The final category of shebeen, the general drinking house, was the least common of the three types. These outlets were defined by their size and their mixed clientele. In a sense, they were simply larger versions of the neighbourhood outlets with a more upmarket orientation. They operated from houses with several drinking zones, usually a courtyard for migrants and two or three plushly decorated rooms inside for wealthier clients. At these shebeens liquor was not cheap, as clients paid for privacy, service and comfort. In terms of the variety of liquor sold these outlets were the closest thing in Qwaqwa to the white suburban pubs.

Market changes in the villages came more slowly. Part of the reason for this was that bottlestores were only set up in these areas after 1982. But more important was the fact that class differentiation had not gained momentum outside of Phuthaditjhaba. Closer settlement shebeeners continued to be constrained by the structures of labour migration and the irregular flow of remittances. In these areas neighbourhood shebeens, some dealing only in homebrewed liquor, continued to dominate the trade. Peak trading hours for these operators were over weekends, but it was noted that most of them stayed open all week to allow unemployed men to gather together and chat. However, by 1984 a few larger drinking houses were beginning to appear in some of the older villages such as Namahadi, the seat of the Bakwena tribal authority. These outlets, nevertheless, remained rare. The contrast in variety and scale between Phuthaditjhaba shebeens and those in the villages was the most notable characteristic of the liquor market in Qwaqwa in 1984.

This division should not, however, be assumed to be static. The consolidation of commercial liquor interests with the formation of the Qwaqwa Bottlestore Association in 1984 threatened to change the rural market by offering shebeeners cut prices to stimulate demand. This point was emphasised by Bakwena chieftainess and businesswoman, Mampoi Mopeli, when she urged the Qwaqwa government to promote local bottlestore owners by setting up a "Buy Qwaqwa" campaign (QLA 1984: 598). The prospect of the legalisation of shebeens also held important implications for the trade as a whole. In 1984 the Qwaqwa government, keen to extract revenue from the trade, was seriously considering implementing the Soweto 'tavern' system in the homeland. Local shebeeners were less enthusiastic, especially in the rural areas where women realised that licensing would probably transfer the trade into male hands.

During my fieldwork I conducted 20 interviews with shebeeners in Phuthaditjhaba, Manaung and Namahadi. Although these interviews attempted to capture a wide range of operations in both town and country, sustained police harassment of rural shebeeners at the end of 1984 interrupted my research in the closer settlement areas. The data collected therefore shows a bias towards Phuthaditjhaba traders.

Conclusion

Although the above analysis is primarily concerned with local-level change in three commercial sectors in Qwaqwa, the discussion throws critical light on two widely held assumptions about black class formation in the homelands. In concluding this

chapter I wish briefly to draw attention to these two issues.

The first revolves around the central role ascribed to the BIC in inaugurating class formation in the homelands. Molteno (1977) in his influential overview of the bantustan strategy identifies the BIC as a major force in forging the shift in homeland policy away from the 'class levelling' tendencies of the reserve period to the 'class forming' tendencies of the contemporary phase. This analysis is based entirely on the experience of the Transkei where the BIC bought up 423 white trading stations during the 1960s and had already transferred 217 of these stores into black hands by 1972 (Southall 1983: 163). This initiative was coupled with a business loan scheme which assisted more than 100 black traders in the Transkei over this period (Hart 1972: 105). In contrast to this situation, there is little evidence that the BIC played an equivalent role in Qwaqwa. In fact, it seems clear that, in spite of growing proletarianisation, class formation occurred less rapidly in the 1960's than it did in the 1950s when state involvement in commerce was minimal. Indeed, when one critically investigates the role of the BIC in Witsieshoek, it is not at all clear that the major objective of the Corporation was to stimulate the interests of local black entrepreneurs. During the period 1960 to 1974 the Corporation not only failed to crush white retailing interests in the reserve effectively, but also undermined those of local bus owners, dairy farmers and brick merchants by establishing state monopolies (cf. Mapena 1970, Bank 1985). Its involvement in the construction of the Mount-Aux-Sources holiday resort, designed for and run by whites, provides further evidence of the orientation of BIC activities in Witsieshoek. It seems clear that black commercial advancement in Qwaqwa in the 1960s did not occur because of BIC initiatives, but

rather in spite of them! This finding brings into question the validity of generalising from the very specific experience of the Transkei to other homeland areas, but it also focuses attention more generally on the transition period of the 1950s and 1960s, between the reserve and the bantustan strategies [16]. In analysing the significance of this transition it is crucially important to counterpose the rhetoric of the state with its actions in the rural periphery. Hirsch's (1984) suggestion that there is an urgent need to consider the composition of various government corporations and state departments to fully grasp subtle shifts and regional differences in state policy in rural areas is an important one, but one that should be coupled with analysis of actual rural situations during the transitional phase [15].

The second issue relates to my earlier warning that black petty bourgeois development should not be seen only in legalistic terms. There are two underlying assumptions that inform this position: (1) unlicensed informal sector operations are by definition small-scale undertakings, (2) legal reform is the only way in which black entrepreneurs can effectively enter the South African economy. Neither of these notions is unequivocally supported by the analysis presented in this chapter. Indeed, it is clear that certain categories of shebeeners and taximen in Qwaqwa were making considerably larger profits in 1984 than their licensed counterparts in the retail trade, burdened with lengthy bureaucratic procedures and over-trading. I am not suggesting that legal reform is not an important aspect of black class formation, but rather that illegal operators will continue to prosper where market conditions are good and state intervention is minimal. I will elaborate on this issue in much more detail in

Chapter Four.

Footnotes

[1] Arthur Gray (Jr.), personal communication, January 1985; for a more general discussion of the skin and hide trade in the Harrismith district during the 1870s and 1880s see Steytler (1932: 82ff)

[2] Morris Thibella, an retired teacher from Monontsha village, claimed that when his father bought a wagon from a white Harrismith farmer in the early 1890s he was the first commoner to own a wagon in the district.

[3] Informants claimed that women undertook these expeditions between July and September, after the winter peaches had ripened and before the summer rains made the wagon trails in and out of the reserve unusable.

[4] Keegan (1986: 212-14) provides a more detailed description of the involvement of the Stevens family in the Basotholand trade. He focuses particularly on the competitive relationship that developed between the Stevens and the Fraser family businesses.

[5] In 1932 the Native Economic Commission reported that: "it is unreasonable to prevent natives from obtaining trading licences inside the Native reserves" (UG 22-32: par. 954). In 1934, following this recommendation, provisions were made to assist black traders in obtaining licences in the Transkei, 62% of the business licences granted in the reserves between 1934 and 1936 were issued to blacks (Hart 1972: 95). These measures were, however, not extended to the OFS as a result of strong resistance from white municipal authorities (Ibid: 97-100, Rheinault Jones 1939).

[6] This figure is commuted by subtracting the official 1970 de facto population figure and the estimate 1980 figure of 300 000 and dividing them by 120, the number of months.

[7] This information was obtained during my 1983 fieldwork in the town. The high density of informal sector activities in Phuthaditjhaba during the early 1970s is corroborated by Robins evidence (1982).

[8] The Tripartite Agreement System was introduced in 1975 as part of a package of economic decentralisation initiatives. The aim of the system is to allow white-owned companies to gain direct access to homeland areas, but on condition that local shareholders will eventually own half of their assets. Local Development Corporations were entitled to hold shares in trust until such time as it became feasible for them to be sold off to local residents (cf. Zille 1981, Watson, Dewar & Todes 1981).

[9] Information derived from interviews with the Gray and Brand families. Gertie Gray owned the first private sedan, a Tin Lizzy.

[10] During the 1940's transport licences in Witsieshoek were issued from Dundee in Natal (Kama Twala, personal communication).

[11] These National Manpower figures appear to include migrants recruited in Onverwacht near Thaba 'Nchu. This figure remains the only available estimate.

[12] This figure is based on oral reports from Majakathata owners.

[13] Bradford (1987) has demonstrated this clearly in her analysis of female shebeeners in small Natal midland towns. She argues that the connection between urban and rural brewing can be seen in the active participation of rural brewers in the 1929 Natal Beer Riots.

[14] Bradford (1987) has argued that the profits generated by rural female shebeeners were also restricted by the control men sought to exercise over their earnings. She maintains (1987: 303) that in terms of the Natal code, the entire earnings of an African woman belong to her guardian, a privilege which was passed down on marriage from fathers to husbands. She suggests that these rights were protected by the legal system: "white magistrates betrayed few qualms in supporting rapacious guardians who pounced on female assets and incomes" (Ibid)

[15] Recent literature on the reserves has concentrated in great detail on the decline of peasant agriculture, the incorporation of rural people into the wider capitalist economy and the responses of rural people to this processes between 1880 and 1930 (cf. Bundy 1979, Marks & Atmore 1980, Beinart 1983, Shillington 1985, Beinart and Bundy 1987). There has also been a considerable amount written about the contemporary period (Rotberg & Bulter 1977, Shultz 1980, Sreek & Wicksteed 1981, Southall 1983). Studies of the intermediate period, especially the 1950's and 1960's, have been far more limited and mainly confined to investigating resistance to the implementation of agricultural 'betterment' (Marony 1976, Mason 1983, Lodge 1983).

CHAPTER TWO

THE POLITICS OF CENTRALISATION

TRADERS, DIKWANKWETLA, AND THE QDC, 1974 - 1984

In this chapter I will concentrate on the changing relationship between small traders, the ruling Dikwankwetla party and the Qwaqwa Development Corporation between 1974 and 1984. I will attempt to demonstrate through this analysis that class formation in Qwaqwa cannot be understood as the mechanical unfolding of neatly integrated collective interests, but must be seen as a process of both economic and political struggle [1].

The chapter is divided into three sections based on a periodisation of the central shifts in the relationship between traders and the Qwaqwa government. The first section, which deals with the period 1974 to 1980, attempts to document traders' initial support for and subsequent opposition to the economic policy of the Dikwankwetla party, which increasingly surfaced at the party political level towards the end of this period. The second section, which deals with the period 1980-1982, concentrates on the re-election of Dikwankwetla in Qwaqwa in 1980 and its move away from confrontation politics towards co-option and repression as key political strategies. In the final section I will deal with the evolution of this policy after 1982 and its economic and political implications for traders in Qwaqwa.

Traders, Dikwankwetla and the Politics of Opposition

The evolution of homeland self-government in Qwaqwa after 1971, while of little significance for the vast majority of Sotho-

speakers in South Africa, was a process that was watched with considerable interest by Basotho entrepreneurs both inside Qwaqwa and beyond its borders. For those traders living in Witsieshoek a shift in political control away from Pretoria promised to release them from the 'tyranny' of the BIC and the Harrismith Municipality, whose collective control over business licensing existed as a formidable obstacle to their commercial ambitions. Local traders were also disillusioned with the tribal authorities, whose persistent petitioning against racist licensing policies had earned them few concessions, and looked with some optimism to days when business licensing was controlled by the local Qwaqwa government. Basotho traders in urban areas had a similar interest in the devolution of political control in Qwaqwa. Since the mid-1960s their businesses had come under increased pressure from urban authorities and they realised that unless new opportunities arose in the homeland they might be forced to relinquish their businesses altogether (Southall 1980).

In this context, it is not surprising that in 1974, when it was announced that Qwaqwa was poised to enter the second phase of self-government, large numbers of traders joined forces, some as candidates, with the opposition Dikwankwetla party under T.K. Mopeli to dislodge the ruling Basotho Unity party led by Batlokwa Paramount Wessels Mota. The Dikwankwetla party was aware of this constituency and in preparation for the 1975 election made strongly worded promises of economic reform, threatening to institute principles of free enterprise for Basotho traders in Qwaqwa and to expel the BIC (van der Merwe et al 1978: 536). Consequently, in 1975 when Dikwankwetla swept into power capturing 19 of the 20 elected seats in the new Legislative Assembly it received a strong mandate to meet the demands of

traders, organised by 1975 in the Qwaqwa Chamber of Commerce (also known as the Qwaqwa Traders Association).

Dikwankwetla responded swiftly to this pressure: By December 1975 the new Chief Minister, T.K. Mopeli, announced the termination of BIC activities in Qwaqwa and the formation of a new corporation structured around the interests of the Basotho trader, the Qwaqwa Development Corporation. Shortly afterwards, in June 1976 new legislation was approved by the Qwaqwa Legislative Assembly to reorganise business licensing at the local level. Kroonstad businessman and Minister of the Interior, M.C. Koekoe, who moved the Basotho Business and Trading Undertakings Bill, explained that the main aim of the legislation was to exclude the Harrismith municipality from business licensing in Qwaqwa and to ensure that this process was henceforth controlled directly by the tribal authorities and the Qwaqwa government (QLA 1976: 684). He expressed the hope that this measure would rapidly advance black business development in Qwaqwa and would bring back to the homeland much of the money spent by local consumers in white South Africa (Ibid: 86).

The wave of enthusiasm that filtered through the Basotho business community following these two announcements was shortlived. By March 1977, almost a year after the passage of the Trading Bill, it became clear that considerable confusion still surrounded the new legislation. Heated discussions in the Legislative Assembly revealed that the District Magistrate in Phuthaditjhaba, who had not yet received confirmation of Pretoria's approval of the bill, was continuing to apply the 'old' legislation in his assessment of new license applications. Incensed traders complained that the white magistrate was doing all in his power to stifle the business licensing process. They argued that he was harsh and

'technical' in his assessment of new applicants and favoured applicants who employed the services of white lawyers. As one speaker explained: "It appears that people who stand under the protection of a white goat skin are issued licences without any problem" (Ibid: 360). The continuation of restrictive practices, one speaker claimed 'mocked the Basotho' who had to queue at shops for 'about an hour to buy a box of matches' (Ibid).

At a political level the dissatisfaction of traders over the retention of outmoded licensing practices was expressed in a growing disillusionment with Dikwankwetla's ability to enforce economic reform. Some speakers argued that Dikwankwetla's tardiness on the licensing issue was deliberate, they had become 'complacent' and 'indifferent' to the needs of ordinary people after their convincing election victory (Ibid: 364). But Koekoe assured the Assembly that the fault lay not with the Qwaqwa government but with Pretoria, which was slow to react to their demands. He informed traders that their problems would be addressed immediately and that the cabinet would ensure that malpractices were eradicated until such time as a fully-fledged Licensing Board could be set up in the homeland (Ibid: 366).

But Dikwankwetla's efforts to placate local traders did not last for long. In 1977 with the announcement by the QDC that it sought to attract white commercial capital to Qwaqwa under the Tripartite Agreement System simmering discontent re-emerged within the Qwaqwa Traders Association. Since November 1976 the QTA had aligned itself strongly with NAFCOC's rejection of the TA system and regular meeting were held between the two organisations, resulting in negotiations between NAFCOC and the Qwaqwa government in 1977 (Keeble 1980: 37). These negotiations,

retailing; not least because qualified builders were able to construct their own stores at minimal additional expense. In fact, one owner reported that he had managed to use government building material earmarked for school development to construct his store. To demonstrate this trend it is useful to consider the case of Ilone, one of six ex-builders in the sample:

Case 3.2: From building to storekeeping

Ilone, an ex-farm worker from Reitz, arrived in Qwaqwa in 1973. In January 1974 he secured a migrant contract with Prima Milling Company in Johannesburg where he took a part-time course in bricklaying. In June 1975 Ilone qualified as a bricklayer and returned to Qwaqwa to hire out his services to the Qwaqwa government. He was consigned to work on municipal houses in Phuthaditjhaba. He claimed that the agreement with the government was that contractors worked independently until they had finished the job allocated to them. Thereafter, building inspectors would be called in to check the work and to organise payment. Between 1975 and 1977 Ilone worked in Phuthaditjhaba, but also did a few private jobs for shopkeepers and village chiefs to increase his earnings. He claims that it was through these jobs that he became interested in the rural retail market: "I could see that these people were making a killing. Their shops were always crowded, especially at month-end when people would even queue outside". After considering his finances, Ilone decided that he would withdraw from the building trade to set up a shop in Tseseng. He applied for a licence in November 1977 and by February 1978 had finished building his store at a total cost of R3 000 - he had not only built the store by himself, but had also baked the bricks himself.

(2) The second route into business followed by ex-farm workers in the late 1970s revolved around the organisation of migrant lift clubs. Individuals, who held supervisory roles at industrial plants which employed large numbers of Qwaqwa migrants, were seen to invest their earnings in second-hand vans to provide a commercial transport service for migrants. This activity was particularly common at the Secunda SASOL plant, where migrants were given fortnightly weekend passes to return home. In this context shift supervisors, or indunas, could organise lift schemes within their work teams or at hostels, which increase their fortnightly wages. As time passed some of these workers

were seen to accumulate sufficient capital to either enter the taxi trade on a full-time basis or make their way into the rural retail trade in Qwaqwa. The case study of Themba, an ex-SASOL migrant from Namahadi, illustrates how this transition could be achieved:

Case 3.3: From Secunda to Majakathata

Themba arrived in Qwaqwa from the Senekal district in 1974. In 1975 he obtained his first industrial job as a manual worker for Murray & Roberts Construction with whom he fulfilled two consecutive nine month contracts. In 1977 the job for which he had been recruited was completed and the contract workers were sent home. Between March 1977 and January 1978 Themba remained unemployed, and only obtained occasional piece-work in Qwaqwa. This period of unemployment, however, ended when he was recruited along with hundreds of other workers to the SASOL plant in Secunda where he was given a job as an induna. Throughout 1978 Themba saved his overtime pay and at the beginning of 1979 purchased a pick-up truck to set up a lift club in his hostel. He explained:

From Secunda there were no trains travelling to Qwaqwa and the railway buses only came once a week. The workers in the hostels were suffering because the buses were always full...I decided to help these people by setting up a lift club in my hostel. Every second weekend I would take eight workers home, charging them R16 for the journey to Qwaqwa and back. In this way I managed to earn an extra R250 a month.

In 1980, with increasing numbers of Qwaqwa migrants arriving in Secunda, Themba decided to resign from his job and enter the migrant taxi business on a full-time basis.

Although the part-time taxi transport provided a means of expanding formal sector earnings, the opportunities in this sphere, like those in petty trading, were short-lived. The rise of a fully-fledged long-distance pirate taxi business in Qwaqwa after 1980 saw the eclipse of lift club schemes, which were being made redundant by the cheaper and more efficient service. It was at this time that Themba resigned. He realised that in order to stay in the taxi business he would have to join the new Majakathata association.

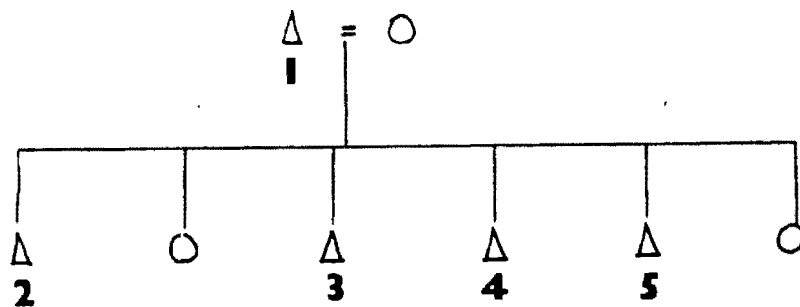
After 1980 there was little evidence that ex-farm workers were

able to assemble the resources necessary to enter business on a full-time basis. Increasing unemployment, reduced government spending on local development projects and intense competition in small-scale retailing made it extremely difficult for wage employees to multiply their earnings in the informal sector. This decreasing involvement of rural households in lucrative forms of commerce was demonstrated by the fact that only two ex-farm workers in the sample managed to open or hire rural retail stores after 1980. (Indeed, it was only in exceptional cases, where more than three male household members were able to hold well-paid jobs concurrently, that access to licensed commerce could be considered.) The case of Thapelo, who purchased a retail store in Namahadi in 1982, illustrates this point:

Case 3.4: Assembling household resources

Thapelo moved to Namahadi in 1977 at the age of 50. He had spent his adult life as a worker on white-owned farms in the Senekal district in the north-eastern OFS. Thapelo claims that his decision to bring his family to Qwaqwa resulted from the demands placed on him by his children, who wished to seek industrial employment.

In comparison with many other farm households, Thapelo and his family were highly successful in their work-seeking strategies. A summary of the employment experiences of male household members after arrival is presented below:



[1] Household head. September 1977 obtains job as manual labourer on dam construction site in Venterburg. July 1978 accepts contract to Sasol plant in Secunda again as a construction worker, forced to give up this job in 1981 after contracting TB.

[2] Migrates illegally to Pretoria in 1978, finds a jobs as a

carpenter with an interior decorating company. Married in 1983, but retains his job in Pretoria.

[3] Unemployed in 1978, but with the assistance of elder brother obtains a carpentry job in Alberton, where he remained employed in 1984. Married 1983.

[4] Takes contract to Sasol in December 1978, promoted to shift supervisor and, later, receives on the job training as a fitter and turner. Unmarried.

[5] In 1979 obtains permanent job with SAR in Isando. Unmarried.

In view of the growing financial resources at Thapelo's disposal as household head, he decided, after recovering from his illness in 1982, to lease a small retail store. Since arrival in Qwaqwa, Thapelo had actively been saving for his old age and he had purchased (with the assistance of his sons) seven head of cattle which he left in the care of a relative in Tseseng village, as well as a second-hand pick-up truck purchased with the cash payments accrued after the marriage of his two daughters. Thapelo felt that if he combined these resources, he would have sufficient capital to set himself up in business.

For several months in 1982 Thapelo searched for an acceptable lease agreement, but was only able to come up with offers outside of Namahadi village. The offer available in Namahadi at the time was a purchase agreement. Thapelo, consequently, discussed the matter with his sons and in October 1982 bought the Namahadi store for R4 800.

Experiences from Urban Areas

2) In addition to mass relocations from white-owned farms, a significant proportion of Qwaqwa's population, probably between 10% and 15%, arrived in the area from urban areas in common South Africa. Most of these individuals were forcibly removed from towns and cities in common South Africa under the influx control and Group Areas laws. Between 1970 and 1975 several thousand families arrived in Phuthaditjhaba from Harrismith, Bloemfontein, Senekal and Aliwal North, where old 'freehold' locations had been demolished. Most of these removals had been pending since the mid-1960s, but were only effected once municipal accommodation became available in Phuthaditjhaba after

1970 (Bank 1984, Niehaus 1987). During this period influx control offenders were also resettled in Phuthaditjhaba, but after 1974 were increasingly sent to the villages to ensure that they did not use up all the available accommodation in the town. This move was later endorsed by Qwaqwa Legislative Assembly which stipulated that urban residence in Qwaqwa would be restricted to Section 10.1 (a) and (b) holders (QLA 1975).

After the mid-1970s township development escalated. Between 1978 and 1980 an average of two new municipal houses were being constructed on a daily basis (QDC 1982). This resulted in a relaxation of earlier restrictions on urban residence - influx control refugees arriving in Qwaqwa during the late 1970s were, for the first time, being offered accommodation in the town. Yet, the town was simultaneously absorbing growing numbers of families arriving in Qwaqwa voluntarily to participate in the growth industry of homeland development. Building contractors, bricklayers and carpenters came from all over South Africa to hire out their services to the Qwaqwa government. Bureaucrats and teachers, frustrated by the constant boycotts at city schools, also started arriving in large numbers to fill vacancies in the expanding local bureaucracy. Approximately 1 500 new teachers settled in Qwaqwa between 1978 and 1982 (QDC personal communication). Traders were another group of urban dwellers attracted by QDC advertisements on Radio Sesotho, offering them loans and business licences (Bank 1984).

In view of the changing settlement patterns in Phuthaditjhaba, it was evident that the town housed a more diverse population than the closer settlement villages. Significantly fewer urban immigrants, even those forcibly moved to the town, were

unemployed on arrival in Qwaqwa, since those working in urban areas at the time of removal were often able to transfer their labour contracts to the Phuthaditjhaba labour bureau. Yet, even in cases where individuals were unemployed on arrival, their contacts with urban areas and their previous experiences on the urban labour market could be of considerable assistance in work-seeking strategies (Bank 1984). Furthermore, urban families in Phuthaditjhaba had access to an efficient district labour bureau at the magistrate's courts in the town, as well as a TEBA (Chamber of Mines) recruitment office which recruited a quota of 5 000 workers from the homeland annually (Sharp & Martiny 1984). The establishment of approximately 4 000 low-paid factory jobs in industrial parks on the outskirts of the town and 1 500 commuter job opportunities provides further evidence of the advantages town residents enjoyed over closer settlement inhabitants in the sphere of employment.)

In this context it comes as little surprise that urban immigrants in Qwaqwa fared considerably better than ex-farm workers in their attempts to enter commerce. More than half of the traders and taximen in the sample (45 out of 80) came to Qwaqwa from urban areas. In contrast to the ex-farm workers in the sample who tended to be concentrated in rural storekeeping, the operations of urban immigrants were more evenly distributed across all three sectors (16 storekeepers, 15 shebeeners and 14 taximen) and were as a result more stratified.) In attempting to identify the routes urban individuals followed into commerce in Qwaqwa it is necessary to differentiate between those owners who moved directly into business from urban areas and those that spent some time in Phuthaditjhaba before entering business. Most of the operators in the former category tended to arrive in Qwaqwa

between 1978 and 1982 with the specific aim of exploiting the commercial opportunities within the homeland. A number of these individuals moved directly into commerce from service sector employment in urban areas. This tendency is demonstrated in the case of Tom, one of the most successful pirate taximen in the sample:

Case 3.5: From teaching to taxi driving

Tom was born in Johannesburg in 1952, but grew up in Soweto. In 1974, after finishing matric, he took up a job as a teacher at Matseka High in Orlando West. In 1976, with the outbreak of the Soweto riots, Tom became frustrated with teaching: "When the kids started telling me what to do I decided it was time to move on". For three months he searched for a suitable job and eventually took a job as a bookkeeper for a furniture firm in Johannesburg. By 1978 he was earning R600 a month. But Tom was still not content: "I was not satisfied with my salary, especially when I knew that my brother with only a Standard 8, was earning twice that amount running taxis from Alexandra to Parktown station".

In 1979, during his leave from work, he bought a kombi and temporarily assisted his brother in Alexandra. He claimed that it was during this month that he heard of the new opportunities open to long-distance taximen: "I spoke to many of my brother's friends and they said that there was much money to be made in Qwaqwa. I hardly knew where Qwaqwa was, but within two months I was coming here almost every weekend with my kombi". By 1981 Tom had purchased a house in Phuthaditjhaba.

Although Tom had set up a business in Qwaqwa and purchased a house in the Phuthaditjhaba he still retained his urban rights in Germiston. He explained that he did not want to be tied down in the homeland in case his business faltered. In the long-distance taxi trade there were numerous other owners in Tom's position, many of them qualified heavy-duty drivers who had left their urban jobs, but retained their homes in common South Africa. For urban immigrants in licensed commerce residence outside the homeland was not easily maintained, since the Qwaqwa licensing authorities insisted that business licence holders become Qwaqwa citizens and reside in the area. This measure dissatisfied urban immigrants who correctly argued that the Qwaqwa authorities were

contravening the central government's 1978 policy measures that entitled permanent urban residents with section 10 1(a) or (b) rights to trade in African areas other than those prescribed in their residence qualifications (Hudson & Sarakinsky 1986: 178). But the Qwaqwa administration remained impervious to these complaints, stating that it would not be receptive to strangers from urban areas whose only interest in Qwaqwa was to exploit its resources. In this context, urban businessmen such as Thumelo were forced to strategise accordingly:

[Case 3.5: Marriages of convenience]

Thumelo started his working life as a shop assistant in a small cafe in Ventersburg. He left this job in 1971 to hawk 'soft goods', mainly clothing, in the town's location. By 1973 he had proved his success in this sphere and decided to use his savings to apply for a general dealer's licence. By 1975 Thumelo owned the only African-run supermarket in Ventersburg.

This success inspired him to apply for further business licences, but these were all refused by the township superintendent. Eventually in 1978 Thumelo struck on the idea of using marriage to expand his business interests. He moved temporarily to Vereeniging where he persuaded a woman to apply for a business licence on his behalf: when the licence was granted he married her, made her manager of his new store and returned to Ventersburg. Thumelo contracted a similar marriage in Sebokeng two years later. In 1983 he moved to Qwaqwa and took on a third wife, to whom he entrusted a supermarket which he opened in one of the newly-established village shopping centres. Although Thumelo took out Qwaqwa citizenship he retained his urban rights as a resident of Ventersburg.

The above cases notwithstanding, there were a number of owners in the sample who had moved to Qwaqwa from urban areas to take up jobs in the civil service, and only subsequently moved into commerce as storekeepers and general drinking-house owners. These individuals, while retaining their urban rights, were de facto residents of the homeland. Like Thumelo, they too experienced problems with the local licensing bureaucracy, which theoretically prohibited civil servants from opening businesses. But it was noted that this clause could be comfortably by-passed

if civil servants registered their business assets in their wives' names. In a few other cases it was noted that individuals with experience of skilled employment in urban areas were prepared to relinquish both their jobs and their urban rights to come to Qwaqwa. A good example of this is seen in Case 2.3 where James, after failing to obtain a coal yard licence in Vereeniging, decided to join his brother in the rural retail trade in Qwaqwa. Relinquishing urban rights was not taken lightly by these owners and in all cases they attempted to secure their interests in the homeland before leaving the urban area. This usually meant establishing firm contact with the QDC.

Although many of the urban immigrants arrived in Qwaqwa with the resources to set up businesses, approximately a third of the owners in this segment of the sample were forcibly resettled in Qwaqwa. Like their counterpart in the rural areas, these operators usually entered business by combining relatively small formal sector wages with various kinds of informal sector activities. The case (2.1) of Marumo in the previous chapter shows the kinds of strategies these operators were forced to employ. Marumo arrived in Phuthaditjhaba in 1970 after being evicted from Welkom. He was destitute at the time of resettlement and struggled for several years among the poor, oscillating between piece-work jobs, commission-based selling for established traders and small-scale independent activities. During this period he had little success and only through a quirk of fate was he able to secure a kiosk licence in the town: he explained that he had to borrow the money to pay the licensing fee. Marumo's eventual success in business was fortuitous, and is therefore not characteristic of operators in the urban informal sector. Most of the individuals in the sample forcibly relocated to Qwaqwa from

urban areas, remained in the informal sector as small-time shebeeners and hawkers. These individuals were almost all women, many of them single, who were unable to support their dependents on meager local industrial wages. These women found themselves in the precarious position of being locked into low profit markets that offered little scope for expansion. Although the timing of market entry for these operators did make a difference in Phuthaditjhaba - the largest shebeeners in the town were popularly believed to be the first - the chronology of entry was not nearly as significant as in the closer settlements. There are two important reasons for this. Firstly, by comparison to rural households urban families displayed greater access to wage employment throughout the 1970s. This meant that a greater proportion of the household in the town had access to disposable income that could be reinvested in the informal sector, hence the emergence of a more competitive sector in the town. Secondly, as a result of Phuthaditjhaba's location on the fringe of Qwaqwa, town residents were exposed to a constant stream of itinerant traders (including white farmers and Harrismith retailers) who periodically flooded the consumer market with goods. In this context operators in the informal sector lost their competitiveness, having to constantly adjust their prices to accommodate outside interference.

The Experiences of Original Residents

In addition to the people relocated to Qwaqwa from urban and rural areas after 1970, there were a number of families in Qwaqwa who had lived there prior to the advent of mass relocation. These people comprised about 10% of Qwaqwa's population in 1984 and

resided mainly in the historic Witsieshoek villages such as Monontsha, Qwaqwa, Namahadi, Thaba Bosiu and Tseseng where they retained relatively large garden plots throughout the 1970s. While village life for these inhabitants lacked many of the visible signs of congestion and poverty common in the closer settlements, the process of relocation had an important impact on their lifestyles. Large-scale land clearances for the purpose of resettlement rapidly reduced the available agricultural and grazing land set aside for communal use outside of village boundaries. Initially, tribal authorities did their utmost to placate original residents by forcing relocated families to settle on infertile rocky inclines, but this process could only be sustained for a limited period (QLA 1973: 25-40). The alarming pace of relocation throughout the 1970s eventually forced tribal chiefs to subdivide even the most fertile land for residential purposes. Research conducted in Qwaqwa village in 1983 revealed that during the mid-1960s, village residents, who had lost land as a result of the establishment of Phuthaditjhaba, were given the choice of financial compensation or equivalent sized plots on newly incorporated white-owned farms near Makwane. These guarantees, however, disappeared from tribal authority policy after 1970, and in 1977 Qwaqwa village residents who accepted compensation in land found their new fields expropriated without explanation.

But while mass relocation marked the final demise of household-based agriculture in Qwaqwa, it did bring in its wake a number of new employment opportunities in an increasingly multi-tiered tribal administrative structure. Mushrooming closer settlement had to be controlled and scarce resources carefully allocated. For this purpose the tribal authorities appointed a hierarchy of

chief, sub-chief and headmen, all of whom appointed their own henchmen. These bureaucratic jobs, although not particularly well paid, gave individuals wide-ranging administrative and coercive powers. Chiefs and headmen, for instance, were entitled to impose fines on closer settlement villages for whatever they considered to be contraventions of tribal practice. Theoretically, closer settlement residents had recourse to tribal courts, but in practice these structures virtually disappeared during the 1970s. In this context political power was open to abuse and some villagers were fined for such imaginary offences as hanging up washing at the wrong time of day! (also see Niehaus 1984)

But the distribution of bureaucratic responsibilities occurred within a small kinship circle focused around the Mopeli clan. For the majority of original inhabitants relocation simply exposed them to growing competition for jobs and diminished access to basic resources. Indeed by the early 1980s, villages like Namahadi, Bolata and Qwaqwa, abutting directly onto sprawling settlements, were virtually indistinguishable from the villages that surrounded them.

In view of this general decline in living standards it is not surprising that original inhabitants were poorly represented within the sample, comprising only 12 of the 80 traders and taximen. Most of these owners were licensed storekeepers, who had worked their way into business on the basis of formal and informal earnings generated in the local bureaucracy. The example of Mpho, a local headman in Namahadi, illustrates the role that bureaucratic privilege played in many of these cases:

Case 3.7: Manipulating bureaucratic connections

Mpho was born in Namahadi in 1940. He was the son of a local

headman and wealthy stock-owner, maternally related to the dominant Mopeli line. In 1958, after completing Standard Six Mpho left Qwaqwa to take a job as a messenger at the Perm Building Society in Johannesburg. Later, after improving his education at night school, he joined the SAP and was stationed in Harrismith. In 1975, however, on the death of his father Mpho was recalled to Qwaqwa to fill his position as a village headman.

For two years Mpho worked diligently at his new job, but increasingly felt that the rewards were not equivalent to the responsibility. Consequently, in 1977 he approached an old friend of his father's to apply for a business licence on his behalf. By December of that year the licence was secured: Mpho called together a work party (letsema) to help him with the construction of the store and sold a number of his father's cattle to boost his finances in order to open the business.

Individuals in Mpho's position were optimally placed for commercial participation. In addition to their political influence, they had access to secure earnings, which could be temporarily enhanced by the misuse of bureaucratic positions. Moreover, they often owned small herds of cattle, usually between eight and ten animals, which provided a valuable back-up resource in case of emergencies.

In the above discussion I have attempted to explain the various routes into business taken by taximen and traders in Qwaqwa. I have not, as is conventional in studies of entrepreneurs, focused on the motivational aspects of commercial participation. I believe that this issue is of limited importance to the present study, which seeks to understand class formation in Qwaqwa within the appropriate local historical context. The findings of this chapter suggest the following periodisation of commercial participation in Qwaqwa. During the period 1976 to 1978 it has been argued that commerce in the homeland was dominated by the rise of the rural retail trade, which created opportunities primarily for ex-farm workers and village chiefs and headmen. Both groups of individuals possessed relatively low-level occupational skills, but had been able to generate the resources

needed to enter licensed commerce through their participation in informal earning activities. The serious shortage of basic needs commodities in closer settlements during the early and mid-1970s provided the context in which these groups were able to utilise their disposable income to maximum benefit. The phase of commercial development stretching from 1979 to 1984 appears, on the other hand, to have been dominated by infiltration of urban immigrants into commerce. The majority of these individuals arrived in Qwaqwa with the specific aim of exploiting the business opportunities they had either heard existed in Qwaqwa or seen advertised in the press. They were individuals employed in well-paid semi-skilled or skilled jobs, who had often failed in earlier attempts to enter licensed commerce in the urban areas, but had the financial resources or credit facilities to open businesses. Furthermore, unlike farm workers who predominated in the rural retail sector, these operators were more evenly spread between licensed and unlicensed activities - there were, for instance, a significant number of urban immigrants in the pirate taxi trade. One important reason for this, as suggested, was that the Qwaqwa authorities remained reluctant to issue licences to individuals who wished to retain their rights in urban areas. One Legislative Assembly member expressed this objection: "I do not approve of those people who come here when the table has been laid and only stay to eat" (QLA 1981: 165). Alongside these two waves of commercial energy, there existed a small residual category of urban informal sector operators inhabited predominantly by women running small shebeens. These people were constrained by low earnings, confined to competitive markets, and had little impact on the general commercial development of Qwaqwa throughout the 1970s and early 1980s.

CHAPTER FOUR

ECONOMIC CENTRALISATION AND CLASS FORMATION: PROCESSES OF AND BARRIERS TO ACCUMULATION

Our people should attempt to establish large companies...It is customary for blacks to be very proud of owning a small cafe. He will say, "Yes, I am proud of this cafe because it belongs to me, I am the owner", but will not expand this business...I feel that with the passage of time our people will realise the necessity of large businesses and that they should not simply be involved in small cafes - Chief Minister, T.K. Mopeli (QLA 1980: 247).

Having dealt in the previous chapter with the kinds of resources and experiences that traders and taximen in Qwaqwa bring with them into commerce, I will concentrate in this chapter on the conditions that faced traders and taximen once they were established in commerce. I will consider both the structural pressures that came to bear on their enterprises and the strategies they devised in response to these. The chapter concludes with an attempt to locate within a class framework the growing economic differentiation described.

Economic Centralisation and the Informal Sector

Since the mid-1970s there has been considerable debate surrounding the potential for expansion in the small-scale business sector in Third World cities. Much of this debate has its roots in the well-known International Labour Offices' report on unemployment and poverty in Kenya. According to the ILO, one of the main reasons for the failure of the Kenyan economy to expand significantly after independence derives from the failure of the post-colonial state to recognise and support small-scale entrepreneurial activity occurring on the fringes of the modern

economy. In elaborating its programme for economic reform in Kenya, the ILO suggested that the ability of the Kenyan government to deal with the escalating problems of poverty and unemployment was critically dependent on its ability to release the 'informal sector' from the constraints of discriminatory legislation, low levels of capital investment and intense market competition (ILO 1972:5-45)

While the responses to the ILO's findings varied widely, neo-marxist commentators slated the report's findings for assuming that the informal sector was an unarticulated segment of the Kenyan economy, which could be independently stimulated without considering its economic links with the formal sector and the state. Some authors, following the work of Quinajo (1974) on Latin America have suggested that, while the informal sector enjoys a degree of autonomy from the formal sector, it becomes increasingly subordinated and involuted with the spread of monopolistic conditions in the capitalist sector. Sandbrook (1982) in a recent exposition of this position argues that in African cities:

into larger, more productive enterprises nor even displacement by larger capitalist firms. It is instead a situation where more and more people share stagnant markets among themselves (p. 63).

Other authors following Leys (1975) have argued that small-scale urban traders and artisans generally lack autonomy from large-scale organised capital which exploits them as sources of cheap labour. This approach concentrates exclusively on the role of the informal sector as a supplier of goods and services to the formal sector. In contrast to the former approach which emphasises the increasing marginalisation of informal sector operators, the latter view stresses the existence of intense intersectorial

exploitation. Both views, however, in asserting the functionality of the informal sector to large scale capital accumulation refute the notion that this sector is at all susceptible to economic growth.

Not all neo-marxists present such a bleak picture of opportunities in the informal sector. Tokman (1979), for instance, suggests that under certain conditions, especially during periods of economic growth, intersectorial linkages may become mutually advantageous and stimulate growth among informal entrepreneurs. He refers specifically to the way in which small traders might expand markets for larger concerns and, therefore, temporarily exist in a 'benign' relationship with the formal sector. Long and Roberts (1982), on the other hand, emphasise the importance of location in the success of informal sector operators. In their study of Peruvian migrants and entrepreneurs they suggest that:

the emphasis on the functionality of the informal sector for capital accumulation requires an important rider when applied to provincial centres...The small-scale sector is less likely to be controlled directly by its linkages with the large-scale sector because such centres are not significant locations for productive investment and accumulations [and therefore] exhibit greater diversity with considerable movement between different types of economic activities (Long & Roberts 1982: 144).

Long and Roberts, consequently, explicitly deny that small traders and artisans will necessarily be engaged in processes of economic involution. Nattrass (1984: 8), in a more market-orientated approach to the informal sector, takes these arguments further by suggesting that the opposition of the benign and subordinate positions on the informal sector is unenlightening. She contends that:

It is clear that the informal sector is far from homogeneous, incorporating many activities performed under different conditions. Consequently it would be trite to state that the informal sector either can or cannot experience evolutionary growth, as the degree to which it can be exploited depends on the

market conditions facing them (Ibid).

Although the commercial undertakings within my sample are not necessarily definable under the rubric of the informal sector, the above arguments are of direct relevance to the present study since the prevailing debate about class formation in the bantustans focuses on different understandings of the role of the South African state and white capital in the homelands. Authors such as Southall (1983) and Hirsch (1984) argue that in line with the state's general commitment to political decentralisation and middle-class formation in the reserves, it has consciously restricted the participation of white commercial capital in these areas and has instead promoted industrial decentralisation to create employment opportunities for the rural poor. Nolutshungu (1983), on the other hand, suggested that the South African state has remained committed to the general principles of capitalist growth and centralisation in the white sector. Middle-class formation or "black embourgeoisement", outside of the new salaried bureaucratic sector in the homelands, he argues, has been more a 'coincidence of the social structure' than a priority of the South African government (see Introduction). Although the two positions are too stark to capture diverse state initiative in different homelands, Nolutshungu's argument seems particularly relevant to an understanding of commercial developments in Qwaqwa where the white state and capitalist interests were still conspicuously present in 1985.

Economic Subordination and Local Retailers

If the penetration of whites in every field of human activity is permitted in the homeland..., then the emerging entrepreneurial class of Qwaqwa will in the end become frustrated, humiliated, eclipsed and ultimately eliminated (QTA memo, Sept 1979).

In 1984 the single most important influence on processes of accumulation in the licensed retail trade in Qwaqwa was the growing market presence of large white-owned capitalist firms. Most of these firms arrived in Qwaqwa in the late 1970s at the invitation of the QDC to set up Tripartite companies (Tripcos). These companies, while opposed by traders in principle, were initially exclusively engaged in wholesale activities. Frasers, SASKO and Clover all provided valuable wholesale services to traders who would otherwise have had to travel to Harrismith and Bethlehem to purchase stock. This relationship, however, changed dramatically in 1978 when the QDC announced that Tripcos and other white firms prepared to establish franchise agreements with black traders would be entitled to compete directly with local traders in a series of newly planned shopping centres in Phuthaditjhaba and in a number of rural villages. This move, which came as a direct defiance of the QTA protests against the Tripartite system, was rationalised by the incumbent Minister of the Interior on the grounds that they served the interests of the Qwaqwa consumer:

It is, of course, the duty of the Qwaqwa government to protect the rights of black traders, but on the other hand the government has a duty to protect the defenceless consumer, who is in the majority (QLA 1979: 237).

The Minister also assured traders that the new scheme was not intended as an assault against them, but was primarily aimed at encouraging Qwaqwa consumers to spend their money inside the homeland rather than outside its borders. He suggested that the new consumer spending patterns would eventually benefit small black traders (Ibid: 244).

This ideal notwithstanding, it soon became abundantly clear, after the establishment of a Frasers supermarket in the new

Setsing shopping centre in Phuthaditjhaba, that the brunt of the new policy was to be borne by local traders. In the first year of operation the QDC estimated that approximately R1.5 million in turnover had been lost by local retailers to Frasers (QDC memo 1980). These losses were accentuated after 1982 with the establishment of Setsing II, housing a Fairways hypermarket (owned by Frasers) and a large branch of Pep stores, as well as the opening of a number of Spar supermarkets in villages.

The effects of these developments were felt most acutely by general storekeepers in rural areas who, as a result of changes in business licensing policy after 1976 (cf. Table 1.2), had begun to experience intense but uneven intra-market competition. The central role played by local chiefs in the licensing process ensured that in some villages or neighbourhoods where chiefs had personal business interests, competition was kept to a minimum, while in other areas licensees were clustered together. The latter situation was particularly evident in certain parts of Tseki and Bolata village. In one segment of Bolata (ext.) it was, for instance, noted that there were as many as eight general dealer stores and cafes set up between 1980 and 1984 to service a population of fewer than 10 000 people. The situation here was compounded by the fact that this residential area was situated only a few kilometres from the Setsing complexes in Phuthaditjhaba. In other areas such as Tseseng where local chiefs and headmen had less interest in protecting sectional business interests, retail traders were more evenly distributed and enjoyed a better chance of success.

In spite of these dynamics, it was also clear that the impact of the shopping centre schemes was generalised in rural areas. The

small size of Qwaqwa relative to other bantustans greatly enhanced the ability of consumers from all areas to make extensive use of the new shopping facilities. Storekeepers from villages as dispersed as Namahadi, Tseki and Tseseng were unanimous in their assertion that the white firms, particularly Fairways in Phuthaditjhaba, were making significant inroads into their profits. As one storekeeper from Tseseng village, where the local QDC shopping centre was still not fully operational in 1984, pointed out:

People in my neighbourhood are no longer spending their money at my store. They complain that the prices are too high in the villages and that they prefer to do their weekly and monthly shopping in Phuthaditjhaba where things are cheaper. Nowadays most of the people that come to my store only want to buy day-to-day items such as candles, paraffin, sugar and bread. The days when people came here to buy blankets, clothes, school books and even mealie meal are now over, because of the QDC.

In areas such as Tseki and Namahadi where shopping centres had already been set up by 1984, traders maintained that they were beginning to lose profits even on small day-to-day items. One Namahadi owner explained:

Since the Spar supermarket opened at the Charles Mopeli complex in 1983 [situated about 500m from his store], I have found that virtually all my customers are now going there to do their shopping. They only come here as a last resort when they have run out of money and are on the look-out for credit. I have found that it is impossible to run a general dealer store under these conditions and have decided to concentrate on selling liquor to keep my business going.

The depressing reality of shrinking markets for general retailers was exacerbated by the fact that, at the same time as having to compete with Tripcos, many storekeepers remained dependent on these companies for their supplies. Between 1978 and 1982 Frasers was the only general wholesalers in Qwaqwa and almost totally monopolised trade within the retail sector. This situation improved marginally after 1982 when the QDC managed to find a competitor to Frasers in Metro wholesalers. But traders

complained that this provided little relief because there was no significant price difference between the two suppliers. As a local bookkeeper in Phuthaditjhaba explained:

Although the storekeepers I deal with prefer to buy from Metro rather than from Frasers, their motivations for this are mainly political and relate to their long struggle to get Frasers kicked out of Setsing. But in reality there is no real difference between Frasers and Metro. This is why traders have approached the Chamber of Commerce to set up its own wholesaler, like NAFCOC has done in Soweto [1].

This bookkeeper also explained that the only local retailers who were able to by-pass the limitations of the local wholesaling structure in 1984 were those who had secured franchise agreements with South African firms that delivered stock to their stores from outside the homeland.

In the context of these developments it is not surprising that 20 of the 29 general storekeepers in the sample maintained that their business profits had dropped significantly since 1980. Although it is difficult to provide an accurate breakdown of business profits in a situation where the vast majority of traders did not keep reliable books, most traders reported that their daily takings had been halved at least since 1980. In 1984 as many as 16 traders claimed that their daily takings ranged between only R50 and R80. Tlali (Case 3.1), an experienced Tseki storekeeper who fell into the latter category, pointed to the general decline of his business since 1977:

In 1977 business here in Tseki was hectic. People would form queues at my store every day. They would even disturb me at my home on Sunday with requests to open the store for an hour or two....In those days I was a wealthy businessman, I owned two pick-up trucks a tractor and a large house in Phomolong. I also employed four assistants and a nightwatchman at the store.

But as you can see my situation has changed. The people have deserted me...There is little stock on my shelves. I have sold my tractor, my house is badly in need of repair and I have not had enough money to replace my pick-up since 1981. If this situation does not change I fear that I will have to lease out my store.

Thapelo (Case 3.3), who purchased a general dealer store in Namahadi in 1982, found himself in a similar position to Tlali in 1984. Since establishing his business, he had not managed to raise enough capital to purchase a bakkie and in 1984 still used a local taxi to transport stock from Phuthaditjhaba to Namahadi. Thapelo also maintained that after his wife had fallen sick in September 1983 he had been running the store on his own because he could not afford to employ an assistant.

While owners such as Thapelo, entering the general retail trade after 1980 with limited financial resources, found it extremely difficult to build up their businesses, it was apparent from the case material that a number of the owners were attempting to soften the blow of growing market competition by spreading risks within the retail sector. This strategy was increasingly used after 1982, with growing numbers of bankruptcies in the retail trade - in 1984 it was estimated that approximately 20% of all rural stores in Qwaqwa were under hire. The main advantages of store-hiring over other forms of diversification, in the context of declining profits, was that this could be carried out with minimal additional costs. Traders could simply transfer existing stock from one location to another. In 1984 the most successful multiple store-owner in my sample ran two general dealer stores and four cafes in Qwaqwa. This owner earned significant monthly profits, estimated to amount to approximately R2 000.

Another strategy which enjoyed some popularity among struggling general storekeepers in 1984 was the tendency towards specialisation. The effective use of this strategy was demonstrated by Ilone (Case 3.2), who after setting himself up as a general retailer in Tseseng transformed his business into a hardware store in 1982 in response to the demarcation of a series

of new closer settlement villages in the Batlokwa tribal areas. By 1984 Ilone's profits had trebled as increasing numbers of new immigrants into the area turned to him to provide building materials. (Ilone, we will recall, had been a building contractor prior to entering the retail trade and was therefore able to offer clients valuable advice). Although many other rural traders realised the need to seek out new niches in the consumer market, their responses were generally less successful. Incomes in the closer settlement were too small and business too widely spread to support effective specialisation.

The appropriate location for specialised stores in Qwaqwa was not in rural areas, but alongside large supermarkets in the QDC shopping centres where small traders could co-exist with larger concerns, in what Tokman (1979) would call a 'benign' relationship with large capital. Access to these centres had, however, become increasingly expensive by 1984, with some owners paying in excess of R800 rent a month to the QDC - an amount which most rural retailers could not afford [2]. For those who did managed to enter agreements with the QDC, the rewards from specialised retailing were high. This form of trading was seen to be particularly attractive to established urban entrepreneurs who moved to Qwaqwa in greater numbers after 1980. Amos, owner of a photographic studio and record bar in Setsing, recounted his experience:

When I arrived in Qwaqwa from Nigel in 1980 I immediately approached the QDC for a kiosk in their new centre in order to set up a photo studio. At that time they were short of tenants and the rents at Setsing were low because many of the traders here in Qwaqwa refused to participate in this scheme....This helped me to get started with low overheads.

By 1982 my business had begun to do well and I decided to move to Setsing II so that I could have my own developing facilities. I wanted to sell records, tapes and hi-fi equipment as well, because these items were not sold at Frasers or Fairways. This

venture has been a great success and I am now looking for larger premises.

Another owner, James, a jeweller and qualified watchmaker from Welkom, explained how he established his business in Setsing:

When I came to Qwaqwa in 1974 I could not make a living out of watchmaking and in 1975 I returned to Welkom to do business there working together with a Portuguese man in a bicycle shop. After 1980, when the QDC set up shopping centres here, I realised that these places would attract people from all over Qwaqwa and there would be scope for my business.

In 1981 I made an application to the QDC for a small store in their new centre and was given a store in Setsing II in 1983. Within one year I have made enough money to build a house in Phuthaditjhaba.

Although both these owners realised the advantages of being situated close to larger concerns, they were also aware of the potential threat posed by these businesses. Amos explained that he had noticed a tendency in the new Fairways store to move away from basic consumption items to more specialised goods and was especially concerned about the wide range of records and tapes now sold at the supermarket. James expressed a similar fear when he suggested that the opening of a key-cutting kiosk inside Fairways, a service which he had monopolised until 1984, was beginning to interfere with his monthly profits. In addition to these anxieties, specialised traders were also strongly opposed to the high rental charged by the QDC. In 1984 black traders in the Setsing centre were paying between R200 and R800 a month on store rental alone. This amount was regarded as excessive and traders were demanding that the QDC allow them to purchase their stores [3].

But in spite of these pressures, there was little doubt that specialised retailers were benefiting considerably, at least temporarily, from processes of commercial centralisation in Qwaqwa. As opposed to rural retailers who were attempting to spread risks in order to prop up their struggling businesses,

specialised traders were generally engaged in processes of consolidation and capital deepening by expanding services and increasing their fixed assets.

State Control and the Taxi Business

The construction of monopolies in the black transport market can be traced back to the 1930s and 1940s when the South African state increasingly intervened to crush independent black taxi and bus operators in white urban areas (cf. Stadler 1983, Lodge 1983). In 1957 the emerging state transport policy was articulated in the Black Transport Services Act, which transferred the responsibility for African transport subsidies from the Department of Native Affairs to the Department of Transport (Perlman 1982: 30). This measure confirmed the state's commitment to intervention and control through subsidies as a means to safeguard the spatial configuration of apartheid cities. [In the 1960s, with the growth of frontier commuting in rural areas, this system was extended into the bantustans to assist the SAR with the transfer of black workers.] In Qwaqwa this initiative resulted in the establishment of Setsokotsane in the late 1960s to meet anticipated commuter demands, while SAR trains and buses were allowed to retain their dominance in the migrant sector.

Swilling and McCarthy (1984), in reviewing post-1970 developments in state transport policy, suggest that, in spite of the tightening of monopolistic control in various regions, the state has been unable to respond effectively to the Driessen (1974) and the Welgemoed (1983) Commissions' recommendations for co-

ordinated inter-regional planning in the black transport market. They argue that this failure has led to growing disparities between migrant and commuter transport (1984: 31). This observation is borne out by developments in Qwaqwa. In the field of commuter transport it has been noted that, after a period of initial capital shortage, Setsokotsane rapidly took control of the local transport market; between 1976 and 1984 their annual passenger loads increased from 1.5 to 9.6 million. In contrast, the SAR service stagnated as migrant train and bus timetables underwent little revision from the mid-1970s (cf. Chapter One).

These discrepancies in state monopoly structure had an important influence on developments in the taxi transport business in Qwaqwa. In the local transport market the effects of the highly organised Setsokotsane service were most acutely felt. Joshua, chairman of the Itsokolela Taxi Association, explained the situation:

When we established Itsokolela in 1981 the local taxi trade was a thriving business because there were many villages that did not receive Setsokotsane buses and we enjoyed strong local support. Today there is a different situation. Setsokotsane is strong and the people of Qwaqwa do not experience the same difficulties with transport they did a few years ago. This has affected our business badly. Many Itsokolela people are saying that there is no longer money in this business. They are asking the Association to buy their vehicles so that they can feed their families.

Bosco, another Itsokolela member present during this interview, attempted to contextualise Joshua's remarks:

I have been in this business since I completed my contract at Secunda in 1982. At first when Itsokolela was a new association with few members, there was enough business for all of us to make at least four full loads a day (about R30 minus petrol). Nowadays we are lucky if we get two loads a day. For those people, like myself, who have only one car this is barely enough to stay alive.

Bosco explained that like himself, many of Itsokolela's members were now seriously considering entering the wage labour market because of the diminishing profits in the local taxi business.

Conditions in the commuter business were more favourable. The main reason for this was that access to taxi licences were extremely difficult to extract from the OFS transport authorities. In 1985, in comparison with the 90-odd local pirate taxis in Qwaqwa, there were only 35 licensed commuter taximen competing with Setsokotsane for business on the Harrismith and Bethlehem routes. This reduced the impact of monopoly competition on commuter profits, but did not allay fears about Setsokotsane's growth in recent years. The Chairman of the Qwaqwa Taxi Association explained:

Setsokotsane is a big thorn in our sides because their weekly worker fares are heavily subsidised by Pretoria. We cannot compete with them in this area, although in the past we were often able to help out workers when buses were full....The only workers we transport now are those that are late for work and cannot afford to wait for the bus.

At the moment we are only able to compete with Setsokotsane in the area of casual commuting. I mean on daily fares where they do not receive a subsidy. Here Setsokotsane charges R1.80 for a single to Harrismith, while we offer it for R2.00. Most people use taxis for these journeys because our service is faster and more comfortable than that of the buses. In this area we still do a lot of business, especially over weekends when people visit the urban areas to do shopping.

The chairman also noted that because most Qwaqwa Association members owned more than one vehicle - an average of more than two vehicles per member - the effect of Setsokotsane's aggressive market strategy was only very gradually being felt in the commuter trade.

State-sponsored competition in the migrant transport market, on the other hand, was not a major area of concern for long-distance pirate taximen in Qwaqwa. Tom (Case 3.4) explained:

The SAR and bus companies like United and Greyhound do not pose a big problem for us because buses and trains cannot compete with taxis for speed on long journeys. When migrants leave the mines they are tired and want to get home as fast as possible. They will not squabble over a small additional fee, but will simply call at the nearest taxi rank. The real problem in our

business is not outside competition, but internal squabbling and police harassment. These are the factors that are pushing profits down.

Norman, another Majakathata owner, elaborated on this remark:

A few years ago pirate taximen travelling from Qwaqwa to Johannesburg were carrying three loads a week. Our earnings were between R300 and R400 a week. This was because there was one association, Majakathata, with a strong leadership that prevented strangers from starting up their own taxi associations. But then our leadership got weak and greedy, they wanted to make more money for the association by letting new people in. This was their mistake, because now there are three associations operating the Johannesburg line. The result is that we carry one, maybe two loads a week.

Norman also explained that the competition between associations had caused in-fighting in the long-distance trade, which promoted police prosecution of unlicensed owners.

These problems notwithstanding, the long-distance taxi trade was still regarded as a lucrative area for investment. In 1985 growing numbers of commuter operators were attempting to break into the migrant market by participating in the new car-hire movement. In 1984 the Qwaqwa Taxi Association chairman led the field by setting up his own company, S & S Transport. One recent recruit explained why he and others had decided to enter the pirate trade:

The commuter business is being strangled by this monster, Setsokotsane. This company is of the opinion that they are the only transport service here in Qwaqwa and have conveyed this message very strongly to the Bloemfontein Transport Board, who now refuse to grant more licences to taxis in Qwaqwa. As far as I am concerned there is no future for commuter taxi owners, they will eventually be swallowed by Setsokotsane. This is why we are now registering combis with car-hire companies.

Yet, as Jacob explained, the car-hire business itself was under threat of absorption by white capital. The largest car-hire company in Qwaqwa, Mohahlaula, was, for instance, owned by a white attorney from Odendaalsrus, who set blacks up in business on condition that they paid him a percentage of their monthly profits (see Chapter Six).

In the context of the shifting opportunities and growing pressures in the taxi trade as a whole, the most successful owners in the business were those who had entered it during the boom period of the late 1970s. Moreover, it was noted that owners who had sufficient capital to diversify their assets outside of the taxi trade were also able to expand their business interests. In attempting to understand the significance of early access and diversification, it is instructive to consider the case of George Molaleka, Chairman of the Qwaqwa Taxi Association:

Case 4.1: Spreading risks outside the taxi trade

George was in his early thirties when he arrived in Qwaqwa from Virginia in 1962. He had worked on a number of OFS farms and also had experience as a mechanic in the Virginia taxi business. On arrival in Qwaqwa he set his mind on establishing his own taxi business and, using his connections in the Virginia taxi trade, managed to secure a taxi licence from the OFS Transportation Board in 1973.

Between 1973 and 1978 George operated with minimal success. His vehicle was constantly plagued by mechanical problems, which were compounded by the poor roads in and around Qwaqwa. However, in 1979 he made an important breakthrough when his existing taxi licence was upgraded by the Transportation Board to allow him to carry eight rather than four passengers. George, taking a loan from the bank, purchased a new VW kombi and started plying the newly-tarred Harrismith route with considerable success. In 1980, realising that there was a growing demand for commuter transport, George applied successfully for a second taxi licence.

Riding on the wave of his new found commercial success, George now decided to diversify his interests by setting up a general retail store in Thaba Tsooana, for which he acquired a licence in September 1980. But this venture into the rural retail trade was shortlived and by 1982 George had sold off his Thaba Tsooana store to open a dairy products depot in Phuthaditjhaba. He explained that the QDC's decision to proceed with its village shopping centre project had been the major motivation behind his decision to focus on more specialised forms of retailing.

In 1983, following a period of sustained capital accumulation since 1980, George decided to branch out into the long-distance pirate business. This decision was motivated both by his failure to obtain new commuter licences and by the realisation that quick profits could be made in this sector. He explained that he had anticipated additional risks in the illicit sector, but nevertheless felt this to be a productive investment. Shortly after making this investment George realised that his multiple business interests had become too diverse to manage alone.

Consequently, he decided to sell his dairy business and enter a partnership with a local contractor in the building trade, which had received a massive boost following the issuing of government housing subsidies to Qwaqwa civil servants in 1984. George maintains that although he had no experience in this sector, he now had sufficient capital to enter business partnerships with other established traders. In 1984 when I interviewed George, he owned four commuter taxis, was in the process of setting up his own car-hire company and was successfully engaged in the local building trade.

The above case illustrates the shrewd use of market manoeuvring and diversification as a strategy for accumulation. But these manoeuvres cannot be explained purely in terms of individual entrepreneurial flare. George's entry into the taxi business in the early 1970s and his ability to take full advantage of the 1977 amendments to the Road Transportation Act are the very basis of his present success. Indeed, had George entered the taxi business after 1980 when Setsokotsane had begun to tighten its grip on the commuter market, it is unlikely that he would have been able to raise sufficient capital to support cognate business ventures. In short, the argument here is that success in the taxi trade depended less on associational affiliations, since they were all under pressure by the mid-1980s, than on the specific time at which individuals managed to enter this sector. In assessing the business profiles of different taximen there was little doubt that the commuter taximen, the earliest participants in the local transport market, were the most successful owners, in spite of the fact that their monthly profits in 1985 were probably lower than long-distance taxi pirates.

Market Autonomy and Competition in the Liquor Trade

In contrast to both general retailers and taximen, who in 1984 were competing directly with large capital, shebeeners in Qwaqwa

enjoyed a high degree of market autonomy. This situation, as Gordin (1987: 284) points out, has emerged from the state's refusal to allow the formal sector to provide adequate on-consumption liquor outlets in black areas. In this regard Qwaqwa has been no exception. In 1984 there were only four legal on-consumption liquor outlets in the homeland, three hotel bars and one privately-owned beer hall.

In addition to the almost exclusive control that shebeeners retained over the on-consumption liquor market in Qwaqwa, they enjoyed advantages of supply links over other traders. Unlike general retailers who were dependent on two wholesaling companies for merchandise, shebeeners were able to purchase their liquor from a wide range of local off-consumption outlets, including a number of illegal liquor runners. Between 1979 and 1984 twelve bottlestores were set up in Qwaqwa in competition with one another. This competitive supply environment allowed shebeeners considerable scope for leverage and manipulation in their negotiations with bottlestore owners. As one owner explained:

These shebeen queens are unscrupulous. They will only deal with you if you offer them credit. I have tried on occasions to deny them credit, but this is not wise because they will simply go elsewhere to do business. There are some shebeeners in Qwaqwa that never use cash. They go from one store to the next asking for credit. In the past I have warned other owners about these people but they will not listen, saying that I am trying to steal their customers.

Yet, in spite of these potentially favourable conditions, on-consumption shebeeners, especially those operating at the neighbourhood level, were among the poorest traders within my sample. One major reason for this was the easy access individuals had to the liquor business. Unlike the taxi and retail trades, there were no organisational or financial constraints that controlled access to the liquor business. As one member of the

Qwaqwa Legislative Assembly claimed in 1982: "Nowadays it is so easy to enter the shebeen trade that people are doing it with only one case of beer" (QLA 1982: 205). In 1984 another speaker specifically related the alarming growth rate in the small-scale shebeen trade to the prevailing economic recession:

I can understand why we have so many shebeens locally. The main reason for this is the problem of unemployment, which we are presently experiencing, because if a person obtains an amount of R10,00 in one way or another, he or she uses it to buy, say, six bottles and then, he sells it again, and that is the start of a shebeen (QLA 1984: 642).

In this situation the availability of cheap supplies and ready credit from bottlestore owners narrowed rather than broadened the scope for profits in the small-scale sector. This is clearly illustrated in the following case of a neighbourhood shebeener from Mangaung:

Case 4.2: Economic involution and diversification

Tumi is a widow and mother of four children who lives in one of the few brick houses in Mangaung. Since her husband died in a motor accident in 1979 she has been constantly engaged in shebeening as a means of supporting her family. Initially, Tumi maintained that shebeening alone provided her with sufficient income for the family. She suggested that few people were prepared to travel to Harrismith to purchase liquor and as a result she was able to make regular monthly profits of about R250 from the sale of liquor in 1979. By 1984, however, she complained that shebeening no longer provided adequate financial support for her family: "Over the last few years it has become very difficult to make money from beer. There are too many shebeens in Qwaqwa... Nowadays I stand at the school in the morning with makwenya (vetkoek), fried fish and fruit, and sell ice lollies, snuff and chilli from my house in the afternoons. This is because one can no longer make a decent living from beer alone." Tumi attributed the decline in the neighbourhood shebeen trade to the increasing availability of cheap liquor and the growth of unemployment in the villages.

While the vast majority of neighbourhood shebeeners were finding it increasingly difficult to earn a living from liquor, there were other areas in the illicit liquor trade where profits remained good in 1984. By far the most lucrative opportunities were located in the supply sector, where liquor runners

established themselves as successful competitors to local bottlestore owners. This was clearly illustrated by the fact that the largest liquor runner in Phuthaditjhaba sold more than 700 cases of beer and wine a week, while his counterparts in the villages were known to sell between 200 and 300 cases. The profits derived from these weekly sales were regarded as comparable with those of small Qwaqwa bottlestores. In attempting to explain the competitiveness of liquor runners in the supply market it is necessary to refer to a variety of factors. Firstly, unlike bottlestore owners, liquor runners, as illegal, household-based entrepreneurs, were not burdened with large overheads such as business loans and QDC rents, nor with sales tax, which immediately added 12% onto the selling price of liquor at licensed outlets. Secondly, as illegal traders, runners were also able to keep their businesses open after hours when on-consumption outlets were at their busiest and shebeeners needed to replenish stocks. Thirdly, and of considerable importance in the case of Qwaqwa, most runners did not purchase their liquor within the homeland, but travelled outside the homeland in search of cheaper suppliers. This excluded them from the heavy transport levies charged by the SAB and others for bringing liquor into Qwaqwa. By 1984 bottlestore owners had brought this to the attention of the Legislative Assembly and it was deemed undesirable:

There are lorries from certain places outside the border of this National State that come here for the sole purpose of delivering large quantities of liquor to shebeeners that resell this liquor at prices that are even lower than those charged at bottlestores....This is not desirable because these people are not making any contribution whatsoever in the form of tax (QLA 1984: 642).

As a result of these objections police action was taken against a number of liquor runners during December 1984. When I left the

field in February 1985 their court cases were still pending.

(2) Besides runners, who stood at the centre of the illicit trade, good profits were also being made in the on-consumption sector by the owners of large general drinking houses and classy club shebeens in 1984. These operations differed from small-scale neighbourhood shebeeners both in size and service. Elite club shebeens, the smaller of the two operations, generated most of their income from teachers and bureaucrats who were renowned for their expensive liquor taste. Mapiri, a leading club shebeener in Phuthaditjhaba, emphasised that although the quantities of liquor she sold were relatively small, her profits remained good because her mark-up on liquor was high:

If someone comes to my place they must expect to pay more for their liquor because they are not only paying for the drink, but also for the comfort of my home and the service they receive. Except for beer, my standard mark-up on other drinks is 100%.

In 1984 it was evident that Mapiri was making regular monthly earnings of between R600 and R800 a month from her shebeen.

Another owner from Phuthaditjhaba, who after 1980 expanded his small neighbourhood shebeen into a general drinking house, attributed his success to the fact that he had large enough premises to accommodate about sixty drinkers at one sitting. He also claimed that he imposed no entrance restrictions on his clients:

There are many shebeens in Qwaqwa who restrict admission. Some shebeens exclude women and school children because they are regarded as troublesome, others even have dress regulations. The difference between my shebeen and many of these places is that I allow all kinds of people here. There is no restriction on who we serve as long as they behave themselves.

The broad appeal of general drinking houses which transcend neighbourhood boundaries was at the basis of their success. Philip explained that since he had expanded his shebeen by

building on two large rooms to his municipal house in 1980 his weekly beer sales had increased from about 10 to over 50 cases. Other cases of neighbourhood shebeens demonstrated even larger weekly sales reaching up to 80 cases.

Although it has been noted that diversification was becoming increasingly necessary as a strategy for survival at the lower reaches of the shebeen trade, there was little evidence to suggest that successful shebeeners and liquor runners were attempting to hasten processes of accumulation by spreading their interests into new markets. (Scharf (1985) in his recent study of shebeeners in 'Coloured' townships on the Cape Flats demonstrates that successful illicit liquor dealers were very often actively involved in other illegal activities such as the distribution of stolen goods and drug trafficking.) Evidence of this kind of diversification into what Nattrass (1986) has called 'illegitimate' markets, was virtually absent from the Qwaqwa liquor trade during 1984.) The only notable exception was a Lesotho divorcee from Phuthaditjhaba whose relatives smuggled diamonds and dagga into Qwaqwa from Maseru. This woman, unlike many of her urban counterparts, was not involved in reselling her merchandise locally, but operated as a broker for urban dealers. She explained that this reduced the risk of police arrest. Outside of the 'illegitimate' sector, there was only one other example of diversification in the upper ranks of the shebeen trade. This case also involved a single woman, who owned two retail stores in the villages.) The main reasons for the lack of effective diversification and capital deepening in the shebeen trade, (I would argue, is related closely to the fact that most of the shebeeners in Qwaqwa are women and are therefore marginalised from participation in most other commercial spheres.) This

argument will be developed in the following chapter.

Finally, in the context of the above discussion it seems clear that while the dominant tendency in the liquor trade was towards declining profits and heightened competition in 1984, a number of enclaves still existed that offered scope for capital accumulation. Yet, even in these areas long-term profitability was uncertain. Liquor runners in particular were facing mounting pressures from the authorities in 1984, while better-class female shebeeners were concerned that legalisation, as discussed in the Legislative Assembly in 1984 (QLA 1984: 240-251), would result in men moving into the local liquor business on a greater scale.

Economic Differentiation and Class Formation

I have assessed the economic forces operating within the three commercial sectors under discussion and have considered the economic responses of traders to these conditions. It is abundantly clear that the traders and taximen within the sample, and more generally in Qwaqwa, form neither a homogeneous nor stable socio-economic group. Their activities are widely differentiated and are not easily characterised. One of the main reasons for this is that prevailing economic pressures within the homeland are in a constant state of flux. Levels of market competition change regularly in relation to demographic growth, employment opportunities, new licensing policies, and shifting state and white capitalist interests within the area. Yet, in spite of wide variation in the operations noted, I will argue below that it is nevertheless possible to identify three broad socio-economic strata within the sample.

The first stratum or category of operators identifiable in the sample corresponds, I suggest, to what House (1984) calls the 'community of the poor' - "a very stagnant group engaged in menial labour with subsistence returns to their efforts" (1984: 291). These are individuals whose participation in small-scale commerce is largely premised on their inability to find or hold jobs within the formal sector, and whose activities are primarily structured to meet the immediate needs of household subsistence and reproduction. In these terms it is clear that neighbourhood shebeeners, and to some extent local pirate taximen, fell within this group. Both groups generated extremely small profits in highly competitive markets, and displayed an interest in wage employment as an alternative to their current employment. Neighbourhood shebeeners were often single women who ran liquor outlets concurrently with holding poorly paid local industrial jobs or entered the shebeen trade because they were unable to find formal sector jobs. Local pirate taxiing, on the other hand, was an exclusively male occupation which was initially preferred to unskilled migrant and commuter labour, but was losing its appeal by the 1980s as a result of declining profits. The highly precarious nature of both occupations provided these owners with little hope of separating themselves socially or economically from the mass of urban and rural poor in Qwaqwa and, thus, in class terms identified them closely with the working class.

The second category of trader within the sample might be seen to correspond to what House (1984) has called an 'intermediate sector'. This group is comprised of operators who stand outside the 'community of the poor' insofar as they are able to meet their subsistence requirements and periodically reinvest their business earnings. But, in spite of their immediate security,

House regards people in this category as precariously placed vis-a-vis long-term success and expansion of their business interests (1984: 297). The individuals that fall most readily into this category within the sample are rural storekeepers, larger shebeeners and long-distance taxi pirates. All three of these categories of traders, as the above discussion demonstrates, were earning incomes from commerce that exceeded their immediate subsistence needs and diverted their attention away from manual and even semi-skilled work within the formal sector. But at the same time they were also increasingly exposed to growing market competition that undermined the relative success of their operations. Rural storekeepers were in the process of having to cope with the mounting threat of large white retailing firms in the homeland, while larger shebeeners and pirate taximen were attempting to deal with the pressures of increased police harassment and escalating internal competition.

The separation of these 'intermediate sector' operators from the urban and rural poor in Qwaqwa was never complete, since the temporary economic advantage enjoyed by these operators could not easily be expressed socially. Rural storekeepers living close to their stores, for instance, found themselves closely enmeshed with the fabric of village life. They shared the same experiences and many of the same discomforts that derived from poor social amenities and tribal political control. They also found themselves linked to poorer kin and clients through relations of credit and patronage (cf. Chapter Six). Yet, at the same time, they were able to extricate themselves from the claustrophobia of neighbourhood life by sending their children to schools in Phuthaditjhaba, by taking leading roles in voluntary associations such as sports clubs and church groups, and by socialising with

bureaucrats and teachers in town shebeens. The position of larger shebeeners was similar, although complicated by their status as women. Aside from small number of club shebeeners in the sample which catered for teachers and bureaucrats, other larger shebeeners found themselves in a position similar to that of general storekeepers. The location of their activities within working-class neighbourhoods brought them into constant contact with poor neighbours on whom they relied for co-operation and protection against police harassment. As one owner pointed out:

In this business good neighbourly relations are essential because if these people find that you are unfriendly and not prepared to help them in times of need they will go to the police and complain about the noise and drunkenness in the streets.

Larger shebeeners in the urban area also differed from rural storekeepers in that they dealt with a wider range of clients, depended less heavily on credit and were able to participate regularly in stokvel associations and Tupperware parties with better-class women in the town.

Pirate taximen differed from the above groups in that their commercial activities were not neighbourhood based. This separation from the rural poor in Qwaqwa allowed them greater freedom of association and scope for conspicuous consumption, reflected in the more upmarket styles of dress and patronage of better class shebeens in Qwaqwa. But the ability of this group to effectively link up with local elites in Qwaqwa was complicated both by their mobility - they were constantly moving between the homeland and the common area - and by their participation in close-knit, gang-like association structures, which restricted wider social interaction and, as we will see in Chapter Seven, led to extensive social links with lumpenproletarian elements in white urban areas. Although I will return to some of the themes

raised above in Chapter Six and Seven, it seems clear from this preliminary discussion that groups associated with House's 'intermediate sector' occupied classically petty bourgeois class positions. Unlike the previous category of operators, who were indistinguishable from the underclasses in Qwaqwa, these latter groups were at least in part able to separate themselves from poorer neighbours and kin by virtue of their larger earnings and leadership roles in the community. Their position was, however, never secure since competition and police harassment constantly threatened to hurl them down into the proletariat.

While the vast majority of operators in the sample fell into the above two categories, certain traders and taximen in the sample, especially specialised storekeepers and commuter taxi owners with their multiple business interests, can be identified as members of what Southall (1983) has called, in his more specific use of the term, a 'commercial petty-bourgeoisie'. This group, he argues, comprises wealthy traders in the Transkei who operate under the protection of local state structures and the Transkeian Development Corporation. The economic advantages obtained from this relationship are indicated by a growing polarisation between this group and the rest of the homeland population (1983: 176).

Although Qwaqwa is both smaller and economically less developed than the Transkei, it has been shown in Chapter Two that economic and political linkages were being forged between larger traders, the QDC and the Qwaqwa government. The relationship between these groups, although complicated by conflicting interests and underlying contradictions, was one of mutual benefit - the QDC and the Qwaqwa government depended on the Chamber of Commerce to endorse its economic policies - while members of the Chamber of

Commerce manipulated their relationships with these bodies to further their own interests (see Chapter Two for details).

In addition to the growing involvement of specialised traders and multiple business owners in the activities of the Qwaqwa Chamber, it was evident that these owners were beginning to establish a common class identity with the homeland's bureaucratic elite. The main vehicle for this process was the establishment of a real estate market in Phuthaditjhaba after 1980. The opening up of the real estate market followed persistent complaints in the Legislative Assembly during the late 1970s about the government's failure to provide suitable housing for "educated people of status" in Qwaqwa (QLA 1978: 304). Assembly members felt that it was inimical to economic growth in the area to prevent wealthy people from obtaining home ownership. In response to this initiative the QDC embarked on a major real estate project in Phuthaditjhaba in an attempt to encourage home ownership. Between 1980 and 1983 two small housing estates were built by the QDC and individual units sold off to the public at between R15 000 and R40 000. In 1983 these residential areas were expanded by the issuing of freehold land rights in Phuthaditjhaba.

These developments provided a residential base for the process of class formation. Wealthy traders were now able to escape the isolation and insecurity of crime-ridden residential areas and consciously distance themselves from the mass of Qwaqwa's population. They could socialise within the confines of their relatively secluded residential areas, could send their children to the same schools and enjoy a privileged life-style without the nagging demands of poorer neighbours and kin. But, although some of the wealthier traders in the sample, such as Amos and James, were in the process of purchasing their own homes in

Phuthaditjhaba by 1984, there was a clear indication that Qwaqwa's commercial elite in general in Qwaqwa was not prepared to limit its social and business contacts to the homeland. Owners of specialised stores in particular had often come to the area with the specific aim of exploiting the newly available commercial opportunities (cf. Case 3.5). They had little desire to make Qwaqwa their permanent home and lamented government regulations that made homeland citizenship a prerequisite for business licensing. As one bottlestore owner explained:

I can understand why the white government wants to prevent black businessmen from becoming wealthy, but I do not understand why the Qwaqwa government wishes to follow in their footsteps....This issue of having to take out Qwaqwa citizenship before opening a business here is madness, because it prohibits us from owning businesses in more than one place. The Qwaqwa government is always talking about the need for economic development, but this will not occur unless blacks can move freely between the [common] urban areas and the homelands.

Businessmen such as the above owner displayed little interest in staying in Qwaqwa or confining their business connections to the area. He maintained that after establishing his business in the homeland he wished to return to the common urban area and build a house there. This tendency among wealthy traders to seek ways of diversifying their assets between the homelands and urban areas, from whence many of them originally had come, suggests that these individuals sought to transcend the parochial boundaries of the homeland system and establish a broader class identity. This observation is ratified by Dison (1978: 277) in his study of opposition politics in Venda and Gazankulu. In conclusion, it seems that while Southall's (1983) assertion that there is a considerable overlap between the bureaucratic and commercial factions of the homeland petty bourgeoisie might be valid for the Transkei, the proposition is not necessarily true for Qwaqwa, where many of the commercial elite not only had business

interests in urban areas, but sought to identify themselves more closely with the urban rather than the rural petty bourgeoisie.

To sum up, this chapter has addressed itself to two basic issues. Firstly, it has attempted to provide a picture of the economic differentiation among traders and taximen in Qwaqwa by focusing on the role of economic centralisation and competition. Concerning this issue it has been argued that, although there was a significant degree of differentiation within the sample, the reality of changing market conditions and outside intervention from both state and white capital increasingly limited the scope for accumulation in the small business sector. The only traders that displayed real growth potential in 1985 were specialised storekeepers who existed in a 'benign' relationship with white capital and whose markets had not yet been saturated. But even here restrictions on business ownership and the high rentals charged by the QDC curtailed reinvestment. Indeed, the Chief Minister's statement that "With the passage of time our people will realise the necessity of large businesses and they should not simply be involved in small cafes" (1980: 247) represents a gross (and perhaps deliberate) misreading of conditions in the small business sector in Qwaqwa.

Secondly, the chapter has attempted to rank the operations within the sample in terms of economic and social criteria. From these locations I have extrapolated different class positions by suggesting that the traders and taximen interviewed belonged to both the rural working class and to an internally diverse petty bourgeoisie. My categorisation of the latter group is broader than that conventionally used in the literature on class formation in the homelands. In Chapters Six and Seven I will

attempt to elaborate this usage in more detail by considering differing aspects of class relations in Qwaqwa.

Footnotes

[1] The boycott of Frasers by retail traders in Qwaqwa was reported to have almost resulted in the bankruptcy of the company's wholesale branch. This caused concern in the Qwaqwa Legislative Assembly as it was feared that local shareholders would hold the government responsible if they lost their investments (QLA 1985: 20ff).

[2] Small traders were reluctant to approach the QDC for financial assistance because they believed that the interest rates charged by the Corporation were excessive. As one speaker remarked in the Legislative Assembly in 1985: "This organisation is already ten years old, but we are not aware of a single person who has become independent as a result of financial assistance rendered by this organisation" (QLA 1985: 19).

[3] This matter had been queried in the Legislative Assembly. One speaker complained that after building shopping facilities the QDC leased them to local traders at "very unreasonable and exorbitant rental". He maintained: "I am of the opinion that the construction of the [Setsing] complex was repaid within one year" (1985: 21).

CHAPTER FIVE

GENDER AND ACCUMULATION:

THE ECONOMIC STRATEGIES OF WOMEN IN COMMERCE

In Chapter Three I discussed the role of class origins and the influence of formal sector employment on access to commercial opportunities in Qwaqwa. In this discussion it was noted that there were a limited number of women engaged in successful business enterprises in the homeland. In this chapter I will attempt to explain this phenomenon by considering women's access to employment resources and their exposure to various form of male domination in Qwaqwa. In the light of these remarks the chapter will focus specifically on the different strategies employed by women to break out of their socially-prescribed roles as mothers and homemakers. In this section I will compare the strategies of single and married women in commerce.

Patriarchal Attitudes and Employment

Sharp and Spiegel (1986), in a comparative study of gender relations in rural households in Qwaqwa and Matatiele, have argued that the attempts of women to engage in certain kinds of income-generating activities outside of subsistence agriculture met with strong resistance from male household members. They argue that in Qwaqwa the patriarchal attitudes of men in the closer settlement villages can be traced back to experiences on OFS farms, where the male household heads enjoyed tight control over economic resources. These practices were carried over into the closer settlement villages, despite growing male

unemployment:

Men's grip on domestic affairs was, if anything, strengthened by unemployment and their continuous presence at home. Because they were the only ones with any realistic prospect of employment outside the homeland, men saw their decisions about expenditure as being beyond reproach; on the other hand their presence at home gave them opportunity for hawk-like scrutiny of their wives' every move, and their own anxieties brought forth bitter condemnation of the least hint of inefficiency (1986: 12).

The opposition of unemployed men from the villages to the economic advancement of women was also expressed outside of domestic units. [During October 1984, for instance, a group of about 400 male work-seekers from the villages stormed the industrial parks in Phuthaditjhaba, where several thousand women were employed.] According to eye-witnesses, the men marched through the streets of Phuthaditjhaba overturning female hawker stalls and demanding an end to male unemployment. On arrival at the industrial parks they stoned employers' cars and chased women away from their jobs shouting: "You are doing men's work. Go home!"

[Other collective attempts by unemployed men to victimise women were noted in the escalating cases of rapes and assaults on employed women in the villages.] Police officials and local magistrates reported that physical violations of female workers had reached alarming levels, especially on public transport, which was singled out as an frequent target for the activities of tsotsi gangs. Indeed, by November 1984 the situation had become serious enough for special police patrols to be set up at bus-stops in a number of villages to protect local and commuter workers returning home in the evenings.

[The only rural women to enjoy some freedom from direct male control were those located in households where men were absent on migrant contracts.] In these instances women were able to control

household expenditure and could, if necessary, use remittances to support independent economic activities such as hawking, market gardening or shebeening. But in performing these tasks they had to be careful not to antagonise their husbands who generally prohibited them from engaging in activities that would bring them into contact with other men. Sharp and Spiegel (1986) point out that shebeening was a particularly dangerous activity for these women. Losing male support in the closer settlement villages had serious social consequences because of the very limited opportunities for female employment in these areas. Research conducted in Tseki village in 1983, for instance, revealed that of the 56 adult women in a sample of 40 households only eight had managed to obtain wage employment. The rest of the women in the sample, with the exception of a few pensioners, relied heavily on the financial support of men (Niehaus 1987: 61).

The situation in working-class households in Phuthaditjhaba, on the other hand, differed significantly from that in the villages. In the urban area women enjoyed greater access to employment opportunities. In fact, Niehaus (Ibid) notes that of the 133 jobs held in a sample of 80 working class households in the town, some 60 were held by women (28 local factory workers, 27 commuters and 5 migrants). The main impetus behind the relatively high female employment in Phuthaditjhaba derived from the creation of industrial employment opportunities in Qwaqwa and Harrismith as a result of the Industrial Decentralisation Programme. By 1984 this programme had generated in excess of 7 000 jobs: 4 900 of these were located in industrial parks in Phuthaditjhaba and were immediately available to residents of the town, especially women who comprised between 70% and 80% of the local workforce (Ibid). The majority of these jobs were extremely poorly paid, in 1984

some 60% of the workers in the industrial parks earned less than R60 a month (The Star 2/3/1984).

Despite low wages and poor working conditions, the availability of factory jobs for town women has had important implications for gender relations in urban working-class households. Commenting on this issue, Niehaus (1987: 174) suggests that, although male constructions of gender relations have conformed to patriarchal patterns seen elsewhere in the homeland, 'the ability of women to earn independently in Phuthaditjhaba has undermined the control men are able to exercise over them.) The allocation of domestic tasks, the rights of women to earn wages and control of domestic expenditure are all areas of intense struggle in urban households. The threat that employed women posed to men in the town elicited a response in a local newspaper, which discussed the role of trade unions in the Phuthaditjhaba industrial area:

The only remedy for ill-treatment and exploitation of deprived blacks by well off employers is none other than trade unions....Only trade unions will be in a position to educate women, forming the workforce in Qwaqwa [read: Phuthaditjhaba] that their place...is in their kitchen. It is only through trade unions that women will comprehend the supportive role they play (The Pinnacle 11/1/1985 in Niehaus 1987: 177).

'The determination of urban women to defy male attempts to control their lives was reflected in their responses to the October 1984 riot.) As one Phuthaditjhaba woman from Valiant Textiles explained after the event:

These men have threatened to kill us, but we will not be pushed around by them. They are idle and waste money in shebeens. We have no sympathy for them, they are troublemakers who want to prevent us from feeding our children.

Another women explained:

These men have made us angry by threatening to assault us. They want to have our jobs so that they can feel strong, but we will not let them do this. When these jobs were first made available they were offered to men, but they did not want them, saying that the pay was too low. They cannot expect to take these jobs now

because they are finding difficultly getting work in the cities.

Although in the wake of the October riot women were becoming conscious of their powerful position vis-a-vis rural men who were feeling the brunt of the economic recession, they were not always able to control their earnings in their homes. Christine Obbo (1980) notes in Uganda that:

If a man cannot control a woman's money directly, he can at least devise all sorts of ways of spending the money that women earn, pretending to be short of money all the time or making his wife feel that any money earned was indirectly due to her husband, who brought her to town and allowed her to work in the first place.

Niehaus (1987) notes that attempts by Phuthaditjhaba men to use female earnings for their own pursuits were a central source of domestic conflict. He maintains that the unusually high levels of female employment in Phuthaditjhaba were resulting in increased marital instability in the town by 1984 (1987: 182).

Not all men in Qwaqwa, however, felt threatened by the economic activities of their wives. Among the small petty bourgeoisie located in the state sector, it was noted that women were actively encouraged to pursue independent careers. Women in these households, freed from their domestic responsibilities by servants and local creches, were allowed to further their education and enter 'respectable occupations' such as teaching and nursing. These husbands also encouraged their wives to participate in Tupperware parties and sewing groups that brought them into contact with women of a similar social status. But, at the same time, men with well-paid jobs were prescriptive in the kinds of economic and social activities they allowed their wives to engage in. They sought to restrict them to economic activities that neither threatened their own positions as 'breadwinners' nor brought their wives into extensive contact with other men. The

prevalence of these attitudes was demonstrated in the virtual absence of 'better-class' women from shebeens in Phuthaditjhaba. Most teachers I spoke to claimed that they would either beat or divorce their wives if they heard that they had been patronising shebeens. Upper-class drinking houses in Qwaqwa were the domain of men, prostitutes and single women: there was little room for interfering wives.)

The large amounts of leisure time bureaucrats and teachers spent at these outlets was a major source of marital tension. Women objected to being left alone at home in the evening to prepare the supper and look after the children. They also feared that their husbands were seeing other women: "There are so many loose women here in Phuthaditjhaba that I can never be sure that my husband will not be tempted to sleep with them". In 1984 the moral standards of male teachers were even discussed in the Legislative Assembly, where it was noted that "since schools have been put under the Qwaqwa government teachers have turned into hobos who drink as they please" (1984: 201).

On the basis of the above discussion it can be seen that patriarchal attitudes were deeply engrained in the fabric of social life in Qwaqwa: to use Schuster's phrase "the leitmotif of a man's attitude is control" (1979: 78). But it has also been shown that the ability of men to assert their control over women varied considerably, depending on the economic status of the former. Indeed, it seems evident that male attempts to control women were most fierce in households where the positions of men as breadwinners were threatened by periodic unemployment and financial insecurity. Men realised that growing unemployment was eroding their marital power, and the 1984 march through Phuthaditjhaba demonstrated this realisation. In contrast,

middle-class men were more arrogant and confident of their ability to control women. They allowed their wives a certain amount of economic autonomy and freedom of association, but only within limits they considered desirable. Working-class men in Phuthaditjhaba fell between these two extremes. On the one hand, they found less difficulty finding employment than men in the closer settlements, but on the other their wives were also able to earn independently, although usually not at the same levels. This situation heightened tensions in these households and resulted in constant struggles over the definition of male and female roles within domestic units.

Women and the Bureaucracy

Recent literature on the post-colonial state in Africa has strongly criticised the notion that the state can be seen as a neutral arbitrator in public disputes (cf. Leys 1975, Shivji 1976, Mamdani 1977, Saul 1979). These authors all argue that the state can be seen to consistently represent the interests of the dominant classes in African societies as opposed to those of workers and peasants. But the new critical approaches to state power have said little about the role of the state in perpetuating notions of patriarchy and male control of resources. Hirschman (1985: 61) makes the following observation about recent analyses of the bureaucracy in Africa:

It has been...asserted that the bureaucracy - as a very important segment of the beneficiary class - will tend to resist reform that threatens its class interest: hence its conservatism. It is less often suggested that bureaucrats, as men, may have an inherent resistance to reforms which enhance the status and role of women and thereby jeopardise privileges they enjoy by virtue of being men.

Hirschman, in his analysis of bureaucratic attitudes to women in

rural Malawi, suggests that women have effectively been excluded from rural development projects because bureaucrats regarded it as 'customary' for men to control resources and make decisions. This perception endorsed the notion, Hirschman argues, of women being merely reproductive agents in a rural migrant labour economy. The strong male bias in the administration of rural development programmes, he concludes, has ensured that "patriarchy extended from the family and the village to the central government, and later to the decentralised agencies of government" (p.62).

Hirschmans' observations about patriarchy in rural Malawi are pertinent to our discussion of bureaucratic attitudes in Qwaqwa where male civil servants had similar perceptions of the role of women in the reserve economy. Like their Malawian counterparts, leading Qwaqwa bureaucrats believed that it was customary for women to be confined to domestic units, while men went out to earn a living as migrants. As the Minister of Interior plainly put it in 1981 when referring to the increased levels of female employment in Qwaqwa:

It is not desirable that our wives should be the slaves of other nations. It is better for them to be the slaves of their own homes so that we know what to do with them (QLA 1981: 46).

Evidence of sexism in the bureaucracy was widespread in Qwaqwa. In my 1983 research, for instance, I noted that without the support of men married, and especially single women struggled to extract basic resources such as accommodation, pensions and labour contracts from the bureaucracy. In Phuthaditjhaba cases were recorded of divorced or separated women forced to reside with relatives for long periods of time because local housing officials refused to provide them with accommodation unless they

produced supportive letters from their husbands. Similar practices were noted at the labour offices where male bureaucrats often verbalised their objections to women obtaining what they considered to be men's work. Women responded to these practices by accepting work illegally and by waiting at factory gates rather than queuing at established recruitment points. Women also complained that bureaucrats tended to single them out in their attempts to extract bribes and sexual favours. Although these claims are difficult to verify in quantitative terms, it was recorded that in 1979 sexual harassment at the Phuthaditjhaba housing office was sufficiently widespread to merit an official investigation into the issue. The report tabled in the Legislative Assembly in April 1979 revealed that leading town councillors and government bureaucrats were demanding sexual favours from women in exchange for their right to occupy houses in the town (QLA 1979: 593-638).

Against the backdrop of these findings, it is not surprising to find that female traders complained bitterly about their difficulties in securing trading permits. They maintained that hawking licences were relatively freely granted to women before 1984, but that licences for more substantial businesses such as general dealer stores, clothing shops and brickyards were difficult to obtain without a recommendation from their husbands or a close male relative. These complaints were endorsed by official estimates that by 1984 more than 90% of all registered trading licences in the homeland were held by men. In my sample of 40 licensed stores it was noted that five were owned by women. Only one of these women acquired her licence without male support (cf. Case 5.2). The other four owners relied on men to negotiate with bureaucrats on their behalf. The wives of influential

bureaucrats were seen to acquire licences relatively easily. Single women, on the other hand, were virtually excluded from licensed commerce because they could not demonstrate that they had the support of a man. In a compensatory gesture the Minister of Interior announced in 1982 that he would support the applications of single women for hawker licences:

Widows should be able to obtain business licenses [read: Hawker licences] because they are breadwinners. The cabinet has already indicated that it will not stand in the way if I were to speak on behalf of such people and attempt to obtain licences for them (QLA 1982: 92).

The sincerity of the minister's claims to want to assist female breadwinners in obtaining licences and protection as hawkers was brought into question in August 1984 when the Qwaqwa police dispersed female hawkers at the Setsing shopping centre after established traders complained that they were cluttering up the walkways and stealing their profits (see Hirsch 1985 for similar action in the Ciskei). The women I spoke to at the shopping centre she claimed that they were thoroughly confused by police action because, when they had approached the Bakwena tribal authority earlier for hawking permits, they had been told that such permits were no longer needed!

The harassment of women in the informal sector was a significant reflection of bureaucratic attitudes towards the economic independence of women. From the point of view of the Qwaqwa police, women provided an easy target for the extraction of bribes and the imposition of their authority. Evidence collected on shebeen raids during 1984 provided ample evidence of unnecessarily violent and unscrupulous action in police dealings with female shebeeners. According to local magistrates the excessive violence and unconventional nature of shebeen-raiding made it difficult for them to find legal justification for

prosecuting these women. A magistrate at the Phuthaditjhaba District Court explained:

It is almost impossible to find these women guilty when they recount the way they were treated by the police. In shebeen raiding it is necessary for the police to trap the offender while actually selling liquor. The Qwaqwa police do not follow this procedure. They just barge into homes, upturn tables, abuse these women and sell the liquor for themselves. There is often no legal ground for a conviction (personal communication, Feb.1985).

When I approached the Chief of Police in Qwaqwa he maintained that police action was completely justified in view of the role of shebeens in spreading crime. However, if law-and-order was the main concern of the Qwaqwa police, it is surprising that they found no reason to prosecute pirate taxi operators who were regularly engaged in violent clashes with competing groups and were known to be involved in smuggling rackets. The reasons for selective police harassment in Qwaqwa are complex and will be dealt with in more detail in Chapter Seven. It is significant to note however that predominantly female informal sector occupations such as food hawking and shebeening bore the brunt of police action against unlicensed traders in Qwaqwa, while illegal male-dominated activities were largely ignored.

The evidence suggests that the commercial aspirations of women in Qwaqwa were not only hampered by restrictions placed on them by men in domestic units, but also by the attitudes of bureaucrats and police officials towards their involvement in commerce. Bureaucracy sexism hit single women hardest, preventing them from obtaining urban accommodation and trading permits, and thereby acting as a safety net for generalised male control in Qwaqwa. In short, it is evident that strong bureaucratic sanctions existed to prevent women from breaking out of their accepted roles as homemakers and married mothers.

Given these manifestations of patriarchy, I now turn my attention to the strategies employed by female traders in my sample to deal with the kinds of restrictions and controls placed on them.

Strategies for Economic Independence

Staying single

In her study of urban women in Uganda Christine Obbo (1980) places great stress on the role of single women as innovators and entrepreneurs. "Single women", she claims, "are at the forefront of social change" (p.87). The idea of women remaining single for the purpose of pursuing independent careers and asserting their economic independence has recently been taken up by Van der Vliet (1984) in her study of urban women in the Eastern Cape, who argues that staying single, although a radical strategy for urban women, was nevertheless increasingly widely used by employed women.

In Qwaqwa single women were active in commerce, probably more so than in most urban areas. In fact, some 65% of the shebeeners in my sample were single women. However, this does not necessarily imply that the majority of these women either chose to be single or that they were able to further their economic aspirations by remaining single. Staying single, as Van der Vliet (1984: 15) points out, is a strategy that can only be effectively employed in situations where women have access to economic resources, especially employment. This was clearly reflected in my case material, which illustrated that Phuthaditjhaba women were more inclined to consider breaking out of marriage than rural women. The following case study, recorded in a working-class

neighbourhood in the town, presents a set of typical circumstances that encouraged women with stable jobs to become single:

Case 5.1: Unemployment, subsistence and divorce

Eliza and her husband, John, were removed from the Manaung location in Bloemfontein and resettled in the Maqhekung section of Phuthaditjhaba. After their arrival John sought employment at the local labour offices, while Eliza stayed at home to look after their two children, Bongani and Selina. For several months John searched for work without success, and by November 1984 it was clear that the household could no longer survive on remittances from urban relatives and the support of neighbours.

Eliza now decided to search for work as a domestic servant and left her children in the care of a neighbour. Within two weeks she had managed to secure a job with a family in Harrismith at R30 a month. But as this was not sufficient to meet the family's needs, she decided to use her earnings to set up a shebeen in the small Maqhekung house by erecting a tin and wood structure in the back garden. Eliza recalls that by the end of 1975 her combined monthly earnings had increased to over R100.

John, however, was not tolerant of Eliza's newfound economic independence, especially since he had only been able to find occasional casual employment since their arrival. He accused Eliza of trying to humiliate him in front of his friends by going out to work, of withholding her earnings from him and of lowering herself to the level of a prostitute by selling beer to other unemployed men in the neighbourhood. Eliza initially ignored these accusations, but when her husband started beating her and sleeping with other women, she refused to feed him and filed for a divorce.

The divorce transactions were drawn out, and it was only in 1978 that the court ruled against her husband. The ruling stipulated that the Phuthaditjhaba Town Council issue Eliza with a new house in the Diapollo section and that she be given custody of the children.

Between 1978 and 1984 Eliza managed to get a new job as a cook at a local boarding house. This enabled her to spend more time at home and, with the assistance of her growing children, expand her shebeen activities. Eliza also entered a local stokvel group comprised of shebeeners in the neighbourhood. Every two months gatherings were held at her home.

By 1984 Eliza had also attached herself to a new lover, but she claimed that there was no prospect of marriage: "I have learnt how to cope on my own with the help of my children, marriage will only complicate my life".

Although divorce seemed a logical way out of Eliza's predicament, she placed herself at considerable risk. By adopting this course

of action she jeopardised the very basis of her economic existence, urban residence. Had the court ruled in favour of her husband, Eliza would have been forced to find accommodation in the villages, and consequently would have had to relinquish both her shebeen business and her Harrismith job, which depended on her access to public transport. This threat of losing basic resources, especially town accommodation, caused urban women with jobs to be highly ambivalent in their attitude towards divorce.

In the closer settlements there was little indecision: women chose to remain married, virtually irrespective of the way they were treated by their husbands. The main reason for this was that they lacked access to employment. It was also evident that village-based informal sector activities were too involuted and competitive to offer single women scope for independent subsistence, let alone accumulation without additional financial inputs. This is demonstrated in Case 4.1 where Tumi, a widow from Mangaung, is forced to engage in an ever-increasing range of small-scale selling activities to support her family. Tumi's struggle as a single woman was aggravated by the fact that she did not have kin around her in Mangaung to provide her with domestic and financial assistance.

Many of the other single women in the shebeen trade were more fortunate than Tumi as they had reliable female kin to assist them in their strategies for survival. In the shebeen single women worked in close co-operation with female kin. In these outlets senior women rotated brewing responsibilities to provide time for kin to seek employment. Children were also widely employed to run errands, purchase ingredients and serve customers. The division of labour in these shebeens nevertheless

remained flexible enough to facilitate changes in household structure. Close co-operation between rural women was also seen in the retail trade where groups of kin rotated domestic responsibilities to allow women and children to participate in hawking. However, close female co-operation was not in itself a means of increasing profits, since without other sources of household income single women remained bound to subsistence-oriented activities.

Obbo (1980: 95) highlights this problem in her study when she suggests that "for lasting change women must have resources such as land, money and the solidarity of other women as a basis for support". But what Obbo's analysis ignores is the importance of 'other men' in the operations of single women. Indeed, her notion of 'unattached women' implies the total exclusion of men from the commercial activities of single women. Now, while this was certainly a feature of the neighbourhood shebeen trade, single women in more lucrative commercial activities could clearly not afford to exclude men from their social circles. This was illustrated by the attitudes of single women in the relatively successful 'club shebeen' trade in Phuthaditjhaba. The owners of these liquor outlets were usually middle-class divorcees in their mid-thirties who often held clerical or teaching jobs with the Qwaqwa government. Their resource base was stable and their demands for domestic assistance from female kin was limited as they did not brew. These women seldom sought to incorporate other women into their operations, but instead looked to men for support in negotiating liquor purchases from bottlestores and in extracting information about police raids.

Reliance on male support by middle-class women was a central factor in the ability to increase profits. An illuminating

the shebeen trade. Yet, choosing to remain single, even from a stable economic base, did not free urban women from the discriminatory local bureaucracy which sought to crush their illicit commercial activities and exclude them from the town. In this context staying single remained a precarious option, which was only really successful for women such as Pulane who were able to secure the support of men in the local bureaucracy and police force.

Staying married: The role of 'domestic struggle'

In this section I will consider some of the economic strategies employed by married women within my sample. I will suggest that in some instances where women were able to gain access to economic resources independently of men they were able to struggle within marriage for a measure of economic autonomy.

(1) Disguising earnings from men

Colin Murray (1981) has argued that, although absent migrants from Lesotho usually sent home clear instructions as to how they intended their remittances to be spent, women often disobeyed these instructions. In Qwaqwa the ability of rural women to use their husband's remittances to engage in hidden commercial activities was one means by which they were sought to assert a measure of economic autonomy within marriage. The initial motivation for the wives of migrants to enter commerce was often related to their husbands' reluctance to send money home on a regular basis. Selali, the wife of a Welkom migrant, explained how she became involved in the shebeen trade in Namahadi:

When we got married in 1980 my husband sent money home from the mines every month. But as time passed he became forgetful. It was

difficult for me to go to his mother's home every month to ask for money for the children, so I decided to start selling beer.

Between June 1983 and September 1984 Selali sold liquor from her home. She explained that she had not told her husband of her activities because she knew that he would beat her up if found out that other men were visiting the house. She explained that she did not want to tell him about the shebeen until she had graduated from Bonamelo Teachers Training College, where she had enrolled in 1982. She maintained:

When he finds out about the shebeen I want to be sure that I can support myself and the children without him. I want to know that I can get a teaching job in Qwaqwa and want to ensure that my shebeen is running well. I think that when he finds out that I am an independent women he will not be able to criticise for me for trying to feed his children.)

Selali's biggest problem was keeping her activities secret. She explained that over the past 18 months her husband had only returned home twice, and on both occasions she had managed to persuade the neighbours not to tell him about her activities. Selani was unusually successful, as men sooner or later found out about their wives' activities. In these cases marital relations underwent considerable strain. The following case study of a Tseseng general dealer highlights the close relationship between marital tension and disguised earnings. It also points to the inevitability of 'domestic struggle' as an ongoing process for women seeking economic independence in marriage:

Case 5.2: Storekeeping, gambling and marital breakdown

Madidi moved to Qwaqwa from Bethlehem in 1970 after her marriage. Her husband who worked as a policeman in Johannesburg, had insisted they adhere to Basotho custom and start off their married life in his parents' homestead.

For the first two years in Qwaqwa Madidi stayed with her husband's parents. She was not happy and returned home a number of times. In 1974, however, her husband received promotion and they could afford to build their own home in Tseseng. Madidi was still not used to village life, but decided to alleviate her

and wives divided their responsibilities equally: women took control of shebeen sales and customer service, while men negotiated with suppliers and the local police force. Part of the reason for the success of these agreements lay in the nature of the shebeen business, where male control was limited by the power enjoyed by 'shebeen queens'. However, as long as shebeening remained a lucrative investment, men were prepared to exchange diminished domestic power for growing household profits. Men in these operations realised that the dynamism of the business depended on the personal presence of their wives, and that to disrupt domestic affairs could seriously undermine their earnings. Consequently, to compensate for feelings of domestic insecurity men in these operations often concentrated on their careers as bureaucrats, teachers and skilled workers.

Business partnerships between men and women outside of the shebeen trade were less harmonious. Husbands were more reluctant to allow their wives to dominate commercial endeavours. In these operations men were inclined to become domineering and assertive as they attempted to control decision-making, resource allocation and domestic labour, while women struggled to liberate themselves from male control. The following case study illustrates struggles women faced in these arrangements:

Case 5.4: Retailing, marital strain and reconciliation.

Thabo began his working life as a policeman in Thaba 'Nchu, but moved to Qwaqwa in the mid-1970s when the Bophuthatswana police force took over there. In Qwaqwa he worked as a CID agent until 1979 when his wife and a fellow female employee at a furniture store in Phuthaditjhaba convinced him to join them in a venture in the retail trade. Thabo agreed and used his contacts in the bureaucracy to acquire a cafe licence.

By 1981 Thabo and his associates had managed to acquire three stores in Qwaqwa, each managed by a different member of the partnership. Of the three stores Thabo's was the least successful, especially after 1982 when he spent considerable time

literature on small traders in Africa and common in the perceptions of leading bureaucrats in Qwaqwa, that extended family structures are necessarily dysfunctional to the organisation and expansion of small business operations. In the second part of the chapter, I focus specifically on the interactions between traders and clients as a means of exploring their relationship with the rural working class in general. I argue that this relationship, while necessarily exploitative, is nevertheless one of interdependence, and therefore of ambivalence.

Kin and Control

It is widely recognised that kin are of fundamental importance in the organisation of small-scale business operations in Third World countries. 'Informal sector' studies in particular have drawn attention to the extensive use made by small-scale operators of family labour and household resources in reducing operating expenses and maintaining their enterprises in the face of growing competition. In fact, some informal sector analysts such as Wilkinson and Webster (1982), suggest that in theorising the 'informal sector' in countries which lack social welfare structures, it is imperative to see these activities against the backdrop of the family or household, the basic units of the production of labour power. But, while kin are central for survival in the 'informal sector', their importance is also recognised in more successful small business undertakings. Studies of entrepreneurship in African countries such as Ghana and Kenya have stressed the centrality of kin in the operations of licensed traders and artisans, and have argued that the

retention of extended family structures has militated against the growth of small businesses in these areas. Kilby (1968), for instance, argues that the consistent demands made by kin on business profits in Ghana has served to dissuade entrepreneurs from reinvesting savings and has reduced the potential for growth in the small business sector.

This view was also commonly expressed by QDC officials who argued that the significance of kin in the small business sector in Qwaqwa militated against the emergence of 'scientific' management techniques and the formation of economically sound business partnerships. One leading official explained:

(One of main problems with black traders in Qwaqwa is that they rely almost entirely on unskilled family labour. They refuse to consider placing skilled people in their stores because they believe that these people will betray them and steal their money. They will also not engage in business partnerships for the same reason....The job of the QDC is not just to help these people with business loans, it is also to change their attitudes on issues such as the family (personal communication 1984).)

The importance of the family in the small business sector is not a unique African phenomenon. This is demonstrated in studies of the petty bourgeoisie in nineteenth-century Europe which identify the family as a critical force in the world of small enterprise. Crosswick & Haupt (1984: 20), for instance, remark in their overview of the operations of storekeepers and master artisans that:

the introspection of the petit bourgeoisie family is no mere cultural eccentricity, but the outcome of close family ties and their very demanding enterprises. Such demands would carry out into a dependence on wider family and kin, for financial support in launching the enterprise, in supporting it at times of difficulty, and in warding off the threat of bankruptcy (1984: 20).

But if the dependence on kin and family was particularly acute in periods of economic difficulty, these relationships were not necessarily dysfunctional to processes of capital accumulation.

fluctuated and household earning patterns were irregular.

Case 6.1: Fluctuating demand and the dilemma of kin

After resigning her job at Standard Woolen Mills in 1980, Sophia opened a small neighbourhood shebeen in Phuthaditjhaba to supplement her husband's irregular earnings as a freelance bricklayer in Qwaqwa. Sophia initially experienced some difficulty establishing her shebeen in a neighbourhood where numerous other operators existed. She claimed that for the first six months in the trade she only worked over weekends and occasionally on Wednesday evenings when some of her husband's friends would come round after work.

In June 1981 the conditions in Sophia's shebeen changed significantly when her husband, Bernard, obtained his first stable building job since 1980. Working on the QDC housing scheme in Phuthaditjhaba, he now earned a regular salary of R480 a month. This injection of finances into the household enabled Sophia to persuade her husband to purchase new lounge furniture and build on a small 'drinking courtyard' onto the back of their municipal house. These improvements greatly enhanced the popularity of Sophia's shebeen, which by December 1981 was doing business on a daily basis. In March 1982 Bernard's activities in organising the Phuthaditjhaba Grasshoppers Soccer Club further stimulated business as all club functions were held within the shebeen.

By June 1982, with the soccer season at its height, Sophia found it increasingly difficult to cope with the shebeen without assistance. She maintained that, although her teenage daughter was a great help to her, the combined responsibility of tending to clients, brewing liquor and keeping the house clean were too demanding for them to cope with alone. In response to Sophia's complaints, Bernard decided to call on the assistance of two of his unmarried cousins living in Tseki to help them out until the soccer season was over. Both women had visited Bernard on a previous occasion to ask for his help in finding them accommodation in the town.

The relief provided by Ida and Mary enabled Sophia to consolidate her business during the busy winter months, but by November it was evident that she could again cope without both relatives. The burden of having to cater for additional family members was increased in February 1984 when Bernard finished his contract with the QDC and again entered a cycle of periodic unemployment. In October 1984 when I visited Sophia she explained that Ida had returned home to Tseki, but complained bitterly about the continued presence of Mary in the household.

In contrast to shebeens where domestic and commercial relations were inevitably intertwined, the spacial separation of retail stores from domestic units provided no necessary precedent for the use of family labour in these operations. However, when

considering business organisation, particularly in the rural retail trade, it is evident that both family and wider kin were of central importance in this sector. The growing levels of family involvement in these operations was closely related to the overall decline in retail profits after 1980 and the growing necessity for owners to jettison monthly wage bills. This trend served to accentuate the general dependence on kin in this sector.

Most rural storekeepers, as I pointed out in chapter three, came to Qwaqwa from white-owned farms where they obtained little formal education and few marketable labour skills. They were accustomed to an extended family structure based on male control and economic co-operation in part-time agricultural activities (Sharp & Spiegel 1986). This structure of control, perpetuated by the distribution of economic resources within Qwaqwa, served as a convenient model for business organisation in rural areas where male storekeepers often lacked educational and technical skills. The dependence of these owners on intuition and experience over 'scientific' managerial techniques was clearly reflected in the almost complete absence of cash registers, calculators and bookkeeping techniques in rural stores. In fact, in 1984 when OFS local authorities threatened to have rural businesses closed if they did not comply with sales tax regulations, widespread confusion prevailed in the rural retail sector as owners approached Phuthaditjhaba bookkeepers and local schoolteachers to help them compute their monthly earnings. In a context where most storekeepers were unable to monitor cash flows in their business with any precision, reliance on trustworthy kin had obvious advantages.

wealthier traders to separate themselves geographically from the demands of poorer kin and neighbours. This tendency was, however, not without exceptions, as the following case of Raboroko, a wealthy bottlestore owner from Namahadi, demonstrates.

Case 6.3: Diversification through kin in the specialised sector

Raboroko first came to Qwaqwa in 1971 from his home town Benoni to complete his schooling under the supervision of his aunt, Sekele. He stayed in Sekele's home in Namahadi until 1976 when he obtained his matric certificate and returned to Benoni to take up a job as a traffic officer. In 1978, after achieving success in his first job, he returned to Qwaqwa to visit his aunt and to obtain information from the QDC about the issuing of bottlestore licences to blacks in Qwaqwa. The QDC informed Raboroko that the 1977 Liquor Act had opened up this possibility and that he should contact them at a later date when he had secured financial support.

In 1981 Raboroko returned to Qwaqwa with his accumulated savings and with the support of a R64 000 loan from the QDC managed to successfully obtain a bottlestore licence. In June 1982 he opened his new store and began to conduct a brisk trade in the Namahadi area. Although Raboroko claims that he had numerous requests from kin and friends for jobs in his new enterprise, he decided to recruit experienced cashiers and drivers from Phuthaditjhaba. Only Sekele and her daughter, Saraha, were given jobs as shop floor assistants. In view of the constant demands made on him by relatives, Raboroko decided to move out of his aunt's house in Namahadi and set up his own home in Phuthaditjhaba.

Despite these attempts to exclude kin from his new business venture, by 1984 Raboroko had begun to re-establish his links with local kin to spread his interests in the liquor trade and beyond. These attempts at diversification began in mid-1983 when Raboroko struck an agreement with Sekele to set up an illegal after-hours off-sales depot at her home. According to Raboroko, Sekele was given a small percentage of the profits in exchange for managing the enterprise. In September 1983 Raboroko set up a similar agreement with Saraha, who now lived with her husband in Mangaung village. The initial success of both these operations encouraged Raboroko to enter a further agreement with his younger brother, Khauoe, for the establishment of a cafe in Bolata, which he purchased directly from a local owner. After investing several thousand rand in the business, Raboroko handed it over to his brother to manage.

In contrast to the sectors described above, family labour was rarely used in taxi trade. The reason for this was that most taxi owners needed no additional labour - they owned and drove their own vehicles. Consequently, it was only when owners wished to

expand their operations that kin became important as either drivers or even co-owners. In view of the small number of multiple taxi owners in the sample it was difficult to establish any general patterns. From the data collected it did, however, seem that while commuters tended to hire out their additional licences to the highest bidder, pirate taxi owners relied more heavily on kin as partners and henchmen to help them in their struggle against competing associations. I will discuss this issue in greater detail in the next chapter.

Contrary to the views expressed by members of the QDC that the family basis of small enterprise in Qwaqwa was detrimental to business organisation and accumulation, the evidence collected in the field suggests that the use of kin by traders and taximen in the sample was neither irrational nor inefficient. The extensive use of kin, especially women, by shebeeners and poor rural retailers not only served to reduce business overheads in a context of declining profits, but also enhanced the personal control owners were able to exercise over their commercial operations. This was evident in the Phuthaditjhaba shebeen trade where brewers and retailers relied on junior female kin whom they could control and trust as domestic and business assistants. In the male-dominated rural retail trade the exploitation of female kin was more intense as male enterprise heads manipulated their control over women in domestic units to extract of cheap, reliable labour.

But it has also been noted that while kin could be exploited to meet the labour requirements in the small business sector, they were also helpful as an effective means to diversify business assets without relinquishing initial control. The strategies employed by Qwaqwa owners, consequently bear some comparison to

They realised that in a situation where markets were shrinking and under constant threat from larger concerns, their ability to remain competitive depended largely on their success in placating clients by means other than low prices.

Attempts by traders and taximen to portray an image of caring for their clients and showing public benevolence were indicated in a number of ways. At one level this concern was reflected in the names they gave to their businesses. Many general retailers and cafe owners used names such as: Siza Bantu (Help the People), Ratanang (Love each Other) Basotho, Phela o Phedisa (Live and Let Live) and Thaka Bafutsana (Among the Poor). Clans names, such as Bakwena, Bafokeng and Bataung, and symbols were also often painted above the entrances of rural stores [1]. Taxi association names conveyed their own images: Majakathata (The Strugglers), Banna ba Kgotso (Men of Peace) and Thusanang Basotho (Help the Basotho). In the upper reaches of the urban shebeen trade where outlets had names as Mauritius, The Colliseum and Beirut more attention was given to the bourgeois fantasies of the local elite.

Strategies to attract clients went beyond such tokenism as small business operators strove to invest considerable amounts of time and money in improving customer service. In the taxi trade many owners fibre-brushed the outer panels of their kombis, installed expensive air conditioning, lined seats with sponge coverings and tinted their car windows. They also often delivered passengers to their front doors after dark and guaranteed that lost property would be kept until customers came to claim it. On the 16 March 1984 the Qwaqwa Taxi Association placed an advertisement in the Qwaqwa newspaper The Pinnacle stating that, in accordance with passengers' requests, items left behind on commuter taxis could

be collected at their new offices in Setsing. In the shebeen trade owners were increasingly purchasing refrigerators to accommodate the growing demand for cold beer and were seen to spend money regularly on improving hi-fi equipment and furniture. Storekeepers in rural area also pandered to consumer demands by installing TV sets in their stores for the benefit of local residents and were delivering goods, especially maize meal bought in 60 kg bags, to the houses of their regular customers. The delivery system, extensively used by bottlestore owners, was only introduced in the rural retail trade during 1983 when these owners were rapidly losing clients to local supermarkets.

Promotional schemes were also utilised in community services and recreation. Phuthaditjhaba Butcheries, for instance, sponsored the main local soccer league in Qwaqwa, while smaller owners set themselves up as the sponsors of individual teams. Even shebeeners ran their own informal league in Phuthaditjhaba. They bought equipment, hired coaches and facilities. Boxing was another popular sport in which small traders played an active role as promoters and organisers. One bottlestore owner in the sample travelled as far as Newcastle and Welkom to find competition for 'his' fighters. In addition to these activities donations were also made to school PTA committees in return for advertising space on the school premises. One storekeeper in Phuthaditjhaba provided tracksuit tops to school children who could not afford uniforms. Church groups and other voluntary associations such as burial societies also received support from local businessmen; who helped raise funds and provide transport in order to promote contact with other groups outside the homeland. In 1984 one Namahadi trader claimed that he had agreed to foot the transport bill for a local choir to attend an

although effectively denying it to his clients, by having a large cardboard sign posted on his counter which read: "Credit is only given to pensioners over the age of ninety-nine".

All the larger rural storekeepers in the sample offered credit in some form or other. The largest creditor in the sample had 58 regular customers in her 'black book' borrowing a total of about R800 a month. The system employed by this owner demanded that all credit purchases were accompanied with at least a 50% deposit, except mealie meal on which people only paid 20%. Individual credit customers were also given a credit rating on the basis of their previous purchases and payments, with R70 a month as the absolute maximum. This basic system was duplicated in most other stores, although in cases where business profits were smaller, owners often restricted the range of items available on credit. Yet, these variations notwithstanding, it is important to note that virtually all owners insisted on some form of deposit so as to exclude households with no income. As the above owner explained: "I am only prepared to help people that can help themselves. I will not support families without wage earners". But, while the deposit system reduced credit risk, it could not be infallible in a situation where employment was almost by definition temporary. All rural storekeepers had stories of credit customers that 'suddenly disappeared' or 'have been unable to pay their account for more than four months'. In these instances it was noted that, although traders constantly threatened to take legal action against credit defaulters, they never followed these threats up for fear of losing clients.

Credit relations in the shebeen trade were important but not as extensive as in the retail trade. In the illicit liquor trade only liquor runners refused to grant credit to customers, arguing

believed that local businessmen made constant use of bebebe (local slang for medicine containing human flesh) to enhance their interests and ward off competitors. The foundation of witch accusations in all the above cases derives from a single source, the social proximity of traders to the rural poor and their inability to extricate themselves from the redistributive ethos of life in working-class neighbourhoods. Indeed, the close proximity of Mokwena to neighbourhood life in Phuthaditjhaba and the relative separation of Kumalo from the urban working class in Qwaqwa - he lived in a luxury home on the outskirts of the town - seems to explain the differing forms of community resistance to these two traders. It seems likely that had Kumalo lived in a municipal house in Phuthaditjhaba, alongside commuter and migrant families, and adopted the same attitude towards neighbours as he did towards clients, he would also have been exposed to a personalised form of community ostracism.

Yet if the decisions by traders to distance themselves from the dense social relationships that surrounded them in working-class residential areas embodied potential dangers for themselves and their businesses, close involvement in community affairs and local-level politics could be threatening in other ways. The following case study, which investigates the relationship between youth gangs and a shebeener in Phuthaditjhaba, is illuminating:

Case 6.6: Caught in the crossfire of youth politics

Incidents of student-on-student violence erupted frequently in Phuthaditjhaba during 1984. Between August and December there were at least six separate clashes between armed gangs of students from various residential training colleges in Qwaqwa. A number of these occurred in Phuthaditjhaba between youths from Bonamela, Tshiya and Makabalane; the first two are teacher training centres and the latter a technical school for bricklayers and mechanics. During 1984 clashes invariably involved students at either one of the teacher training colleges and Makabalane pupils, who had the reputation of being a rough-and-ready bunch. In preparing for battle the arenas for conflict

CHAPTER SEVEN

BUREAUCRATS AND RETAINERS: PROTECTION AND PATRONAGE IN QWAQWA

Because the homelands are underdeveloped, the possibilities of upward mobility lie in the civil service or in trading. Few of the homelands have escaped charges that access to both routes is dependent on government patronage and position (Haysom 1986: 57).

In Chapter Two I argued that since the 1980 election in Qwaqwa there has been an increasing centralisation of political power within the homeland. This process, I suggested, made it necessary for traders wishing to expand their assets to seek relationships of patronage with the bureaucratic and political elite in Qwaqwa.

In this chapter I wish to elaborate on the general importance of patronage to traders in Qwaqwa through an analysis of the interactions between traders, bureaucrats, police officials and urban street gangs.

Patronage in Context

The term 'patron' derives from the Spanish patron, meaning a person of power, status and influence. It is, however, always a relational concept since patrons are seen in association with less powerful 'clients', who seek protection and security (Hall 1973: 506). Relations of patronage are reciprocal social relations contracted between partners of unequal wealth and status, in which the patron grants favours to dependent clients in return for goods, loyalty, political allegiance and other services (Eisenstadt & Roniger 1984: 48). Patron/client relations

unions operating inside Qwaqwa - and has no local party political mouthpiece [1]. At the community level there is no evidence of the formation of civic or residential associations. In fact, the only extant bodies noted were those created by the Dikwankwetla party for the purpose of political control. The new village committees set up in 1983, for instance, were designed primarily to assist the tribal administration with the provision of basic services, while in Phuthaditjhaba the local town council served a similar function. The lack of popular interest in the latter body was demonstrated in 1983 when only 9% of the town's adult population voted in the town council elections (Bank 1984: 56). Indeed, the only activities at the neighbourhood level which produced any group cohesion were church organisations, burial societies, shebeens and stokvels. The general apathy and disorganisation of the Qwaqwa underclasses suggests that the vast majority of rural and urban families in the homeland were more concerned with meeting their basic subsistence needs and keeping on the right side of the oppressive structures which govern them than in challenging these structures [2].

Furthermore, it was evident that the local elite in Qwaqwa were, to use Eisenstadt and Roniger's terms both 'distant from the centres of power' and 'lacked control over societal resources'. The structure of the bantustan system has subordinated Qwaqwa's ruling elite to the wishes of the South African government, on whom they depend for their salaries, budgets and policy directives. This dependence is exemplified by the fact that all laws passed by the Qwaqwa Legislative Assembly have to be approved by Pretoria and are subject to arbitrary alteration or even rejection.

Finally, as a result of its continued status as a labour reserve, Qwaqwa is characterised by low levels of economic specialisation and limited middle class development. In fact, in line with Eisenstadt and Roniger's observations, the middle-class in the homeland is confined exclusively to the service sector and the bureaucracy.

In view of the broad correlation between conditions in Qwaqwa and those described as typical of clientalistic societies in general I will attempt to use patronage as a heuristic tool for the analysis of a number of specifically asymmetrical relationships involving traders and taximen outside of their immediate business environments.

Relations with the Bureaucracy

Peter Blau (1963) in his seminal work The Dynamics of the Bureaucracy argues that optimal bureaucratic efficiency is seldom achieved by following the stipulated formal rules and procedures. He takes issue with Weber on the notion of bureaucratic rationality by asserting that bureaucrats tend to generate their own informal rules and procedures within the formal structure of bureaucratic control. This argument is relevant to our understanding of interaction between traders and bureaucrats in Qwaqwa insofar as it highlights the extent to which bureaucrats, for different reasons, employ their own strategies to bypass existing rules and regulations.

The bureaucracy in Qwaqwa, like that in most other homelands, is locally renowned for its tardiness and inefficiency. One of the main reasons for this is that it operates as a dependent branch of the broader South African bureaucracy, which remains a basic

point of reference for information, clarification and advice. A wide variety of mundane bureaucratic procedures in Qwaqwa still depend on confirmation from Pretoria. In addition, it was also evident that inefficiency related to the politicisation of the bureaucracy. As the Chief Minister explained in 1982:

We appoint supporters of the government into the civil service, even if they are inefficient. We appoint them to thank them for their support (QLA 1982: 453).

This tendency to place greater emphasis on political support than on efficiency created considerable confusion, especially at the lower bureaucratic levels where civil servants were reluctant to take any initiative without direct orders from their superiors. Inertia at the lower levels was combined at the middle and upper levels with growing bribery and corruption. Allegations of misuse of bureaucratic position and embezzlement were rife. In the Qwaqwa Legislative Assembly the Chief Minister regularly referred to bribery as the root cause of bureaucratic inefficiency and appealed to the Ministers in all government departments to attempt to curb these activities. In 1981 the Department of Justice was a particular focus of attention and it was revealed that both police and magistrates were distorting evidence in order to acquit friends and relatives (QLA 1981: 362ff). These activities were also noted in the tribal courts where it was alleged that "court verdicts differ like night and day" (QLA 1979: 409).

Business licensing

The permeation of bureaucratic inefficiency and corruption throughout the local bureaucracy in Qwaqwa had important implications for traders seeking to extract licences from the

Qwaqwa government. Traders were well aware of the existence of 'informal' procedures and were quick to appreciate their advantages. As one owner pointed out:

It is a fact of life here in Qwaqwa that every rubber stamp has a price. When applying for a business licence it is always necessary to have extra cash in your pocket, because civil servants are stubborn; they will not give you what you want without extracting a fee. They are not reluctant to ask rewards, saying that traders are wealthy people and should expect to pay for their services.

In fact, of all the licensed traders in the sample some 70% admitted to having paid monies to bureaucrats at various levels to ensure the rapid passage of their licence applications. The attractiveness and expense of this process becomes clear when one considers the labyrinth of red tape associated with licence applications. In 1984 traders wishing to open rural stores had to have their application endorsed at five different bureaucratic levels, ranging from the village headman or chief through to the final inspection of the store by the Qwaqwa Health Department officials. Traders realised that this could be a long and cumbersome process if bribery was not used.

However, in spite of the high incidence of bribery and corruption in the licensing bureaucracy, there was little evidence to suggest that these exchanges formed the basis for the establishment of patron/client relationships. The main reason for this was that licensing transactions were in most cases once-off exchanges. After receiving their licences the interests of traders quickly shifted to other areas, such as the acquisition of stock and the establishment of relationships with clients. It was consequently only in a small minority of cases, where diversification was perceived as a short-term possibility, that longer term relations within the licensing bureaucracy were seen as important. In contrast to this situation, in the unlicensed

sector, where conditions were considerably more insecure, it is possible to note that clientelistic type of relationship more readily emerged between bureaucrats and traders.

Police protection and unlicensed traders

Once you know you have fallen victim to a policeman all you need to do is wink at him and then give him some money. He would then pretend to be looking at your pass and later will tell you to go.
- M. Mofutsanyane (QLA 1978: 331).

Although clientelism was not always the most effective method of realising business objectives in the sphere of licensed commerce, these kinds of relationships were common among unlicensed traders who did not have the security of a licensing certificate. For both shebeeners and taximen in Qwaqwa long term security depended on obtaining protection from police harassment, which was increasingly prevalent in both sectors after 1982.

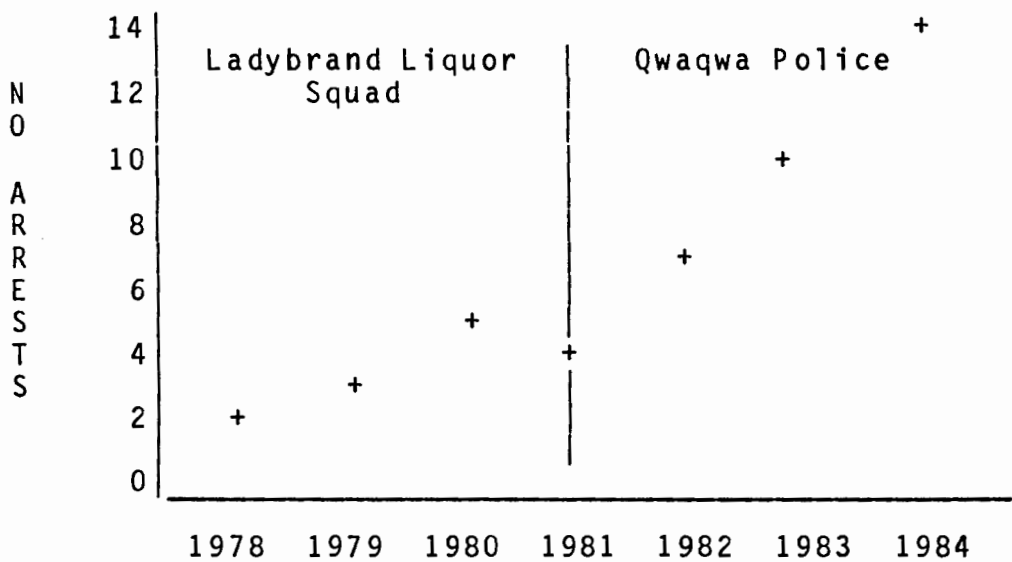
In 1984 the Qwaqwa Chief of Police expressed his unequivocal opposition to the expansion of the shebeen trade in Qwaqwa. He explained that:

The police force in Qwaqwa is committed to stamping out the evil of shebeens. Shebeens do not contribute to the welfare of the nation. They are dens of vice where people get drunk and senseless, and it is here that many crimes start. The shebeen owner is also not a pleasant type and there have been many reports of shebeen queens selling dagga and dealing in stolen goods.

This attitude was reflected in the concerted efforts made by the Qwaqwa police to arrest shebeeners after 1982. The identification of unlicensed drinking as a prime target for police harassment was demonstrated by the fact that as many as 60% of the shebeeners interviewed had been visited by the police between 1982 and 1984. Indeed, one owner recalled that between June 1983

and September 1984 she had been arrested six times and had lost over R2 000 in fines and liquor confiscations. A summary of the escalation of police harassment in the sample between 1978 and 1984 is presented in the table below:

Table 6.1: Frequency of police arrests in shebeen sample (1978-84)



Note: It must be remembered that a number of the shebeens in the sample were only established after 1980.

In this harsh environment shebeeners increasingly sought ways to circumvent police harassment. One of the most reliable of these was to set up an alliance with police officials involving the exchange of information for protection. Scharf (1984) has referred to this strategy in his discussion of shebeeners on the Cape Flats. He argues that the close links between Cape Flats shebeening, drug trafficking and trade in stolen goods in the Western Cape encouraged clandestine agreements between SAP officials and township shebeeners. In these cases the police would afford certain shebeeners protection from arrest in exchange for information about local crime. Although there was

little evidence to suggest that Qwaqwa shebeeners deal extensively in narcotics or stolen goods, similar types of agreements were seen to emerge in Qwaqwa. For the Qwaqwa police force, forging alliances with shebeeners had important advantages, especially in a situation where law enforcement had a poor public image. They felt that shebeeners could be used as important sources of information about the location of criminals and conditions within neighbourhoods. Leading police officials also explained that access to this kind of information carried with it the prospect of promotion. The Qwaqwa Chief of Police endorsed these activities when he suggested that:

I do not want to say that there is only a dark side to the shebeen business. There are some shebeens here in Phuthaditjhaba which are an example to the maintenance of law and order and are always willing to assist the police with their investigations. These are model shebeens and these are given police protection.

During the course of my fieldwork it was possible to identify two shebeeners who enjoyed close relationships with the Qwaqwa police. Both of these owners ran a relatively high-profile general drinking house and had much to gain from police protection. The first owner, Theo, was an ex-policeman from Bloemfontein who in 1984 worked as a debt collector for a large South African retail company. Theo's experience in the police force, as well as his subsequent activity as a company investigator, made him a prime candidate for the police, who felt that his local knowledge could be invaluable in their investigations.. Consequently in 1983 Theo was recruited as a police informer. Meetings were arranged on a fortnightly basis where details of information were exchanged of mutual benefit to both parties. In return for his cooperation Theo was given a guarantee that his shebeen would not be raided. The relationship between Theo and the Qwaqwa police was, however, not entirely

should also be remembered that there were significant fringe benefits associated with the practice of shebeen raiding. As one Legislative Assembly member pointed out:

When a person is in possession of 20 cases of liquor the police hasten to investigate this matter. Is this perhaps because they use, or do they sell the liquor? However, when they are called out on a case where somebody has suffered bodily harm they do not go because they do not benefit from the situation (QLA 1982: 345).

Conditions in the taxi trade in Qwaqwa in 1984 in many ways resembled those in the shebeen trade. After 1982, with the publication of the Welgemoed Enquiry into commuter transport, the South African authorities instructed local law enforcement agencies to clamp down on the operation of unregistered taxis. This directive was actively pursued from June 1982 onwards, and exposed unregistered taximen in Qwaqwa to escalating operating costs in the form of traffic fines and arrests. Under these conditions, taximen were forced to seek strategies to circumvent the law. Initially, they resorted to attempts at bribing SAP officers, but when this failed, they started using alternative routes to avoid roadblocks (see Chapter One). These tactics alleviated some of the problems they experienced travelling in South Africa, but left a question mark surrounding their presence in Qwaqwa. From the beginning of 1983 leading Qwaqwa politicians and bureaucrats began to question their right to use homeland roads and parking facilities. It was pointed out in the Legislative Assembly that taxi drivers were using local facilities without generating any form of revenue within the homeland. Their vehicles were not registered in the area, nor were they paying any sales tax on their transactions (QLA 1983: 99-107). But, in spite of these complaints, the Qwaqwa police were reluctant to take punitive action. In August 1984 a leading traffic policemen explained that: "The official position on

unregistered taxis is to turn a blind eye. After all, they render an invaluable service to the public".

The adoption of this position by the Qwaqwa government appears to be based on the realisation that long-distance taxis, for all their faults, were performing an essential economic service in the homeland by providing workers with cheap transport. Experiences from the Ciskei and Kwazulu during the early 1980s have indicated the political combustibility of worker grievances over transport. In both cases the lack of alternatives to monopoly state transport had escalated into political crises for these homeland administrations (cf. Swillings & McCathy 1985, Swillings 1985). The Qwaqwa administration was clearly wary of closing off transport alternatives to workers. Yet, the administration's position was not completely clear cut, since while it accepted the legitimacy of pirate taxis in principle, it was finding it increasingly difficult to accommodate the entire spectrum of groups that had come to fall under the pirate taxi umbrella by 1985. In particular, there was a growing antagonism towards the new urban-based associations which had infiltrated the homeland since the middle of 1983. This was highlighted in a Legislative Assembly debate on the issue in 1983 when one member explained:

In my opinion it is not the local Majakathata that are the problem, it is the people who only come for dinner when everything is prepared, in other words they are the people who only come to eat....My request is that we protect the local Majakathata (1983: 108).

In this context where groups were competing for access to optimal loading facilities and free passage in and out of the homeland, conditions favoured the establishment of patron/client relations between bureaucrats and taximen. Conditions especially suited the

former group who, through their control of parking facilities, could effectively play taximen off against each other and even develop multiple alliances. In 1985 when I was researching the taxi business, there were already a number of solid alliances in existence. Firstly, a close alliance had been established between members of the Welkom-based Mohahlaula car-hire company and leading officials in the Qwaqwa Police Department, who allegedly accepted monthly payments in return for rank space in Phuthaditjhaba. It was also alleged that one Qwaqwa traffic policeman had been given a brand new motor car and a substantial petrol allowance at a local garage in Phuthaditjhaba by the owner of the Welkom company. Secondly, and in response to this agreement, the Qwaqwa based NOLC company, which also operated on the Welkom route, was in the process of establishing contacts in the Phuthaditjhaba town council which, at least nominally, had the power to evict their competitors. The chairman of NOLC explained: "We have come to understand the tactics of our competitors and are preparing to give them a dose of their own medicine". The strategy of establishing links at the highest political level in Qwaqwa was also being pursued by another ex-Majakathata group, Thusanang Basotho, which appointed the wife of a leading Qwaqwa parliamentarian onto the association executive. By the end of February 1985 this kind of political manoeuvring had permeated down to commuter 'pirates' who, in spite of strong opposition from the recognised Qwaqwa Taxi Association succeeded in striking a protection pact with key members of the Qwaqwa traffic police.

When I left the field in February 1985 the balance of forces in the taxi business was precariously poised as dozens of taximen jostled for space in and around the Qwaqwa bus rank in

Phuthaditjhaba. The atmosphere was tense and always threatened to erupt into open violence. Members of the various associations stuck closely together, seeking new strategies to secure optimal loading space and carefully watching the moves of their competitors. The animosities between taximen had also begun to take their toll within the bureaucracy. Serious rifts, for instance, had begun to emerge between the Phuthaditjhaba town council and the Police Department. The town council had autonomously decided at a meeting held in February 1985 that it would build its own taxi rank for Qwaqwa 'pirates' on a site adjoining the Setsing complex. These plans did not include some of the taxi associations supported by the Qwaqwa police which had their bases outside the homeland. According to the district magistrate, however, it appeared unlikely that the town council would be able to realise its proposal since it had not yet received any funding from Pretoria.

The relationships described above are in many ways similar to those which were seen to exist between shebeeners and Qwaqwa police in the previous section. They were intended to serve as long-term relationships between taximen and bureaucrats which depended on the reciprocal exchange of goods and favours for their survival. They were also essentially unequal relationships which favoured the local bureaucrats who could monitor economic competition by offering police protection in both sectors.

Taximen and Retainers

In this section I wish to turn my attention to a different form of patronage which emerged in the Qwaqwa taxi trade during the latter half of 1983 and 1984. Unlike the examples mentioned

above, [it did not revolve around contact between traders and bureaucrats, but rather involved the incorporation of urban street gangs and local vigilantes into the long-distance taxi trade as the clients of wealthy owners.] In this instance, the patronage of taxi owners provided an essential resource in return for the survival of certain segments of the urban lumpenproletariat, while the protection offered by urban gangs served to regulate competition in the taxi business.] I will attempt to show that the arrangements established between taximen and street gangs, particularly [the Ma-Rashea gangs, were not simply contractual agreements, but increasingly embodied a whole set of additional obligations which were not initially anticipated by taximen.]

Working with the Ma-Rashea

Before I begin my analysis of the role of street gangs in the Qwaqwa taxi trade, it is necessary to contextualise the discussion by providing a brief history of the Ma-Rashea. The Ma-Rashea is one the best known and tenacious urban gangs in the modern history of South Africa. It has its origins in the turbulent times of early black urbanisation on the Witwatersrand. According to Guy and Thabane (1984: 9), the Ma-Rashea first emerged in the townships of Newclare and Sophiatown at precisely the time that the South African economy was switching away from mining and agriculture towards manufacture. Their emergence coincided with the deteriorating conditions in rural areas and the forced migration of Africans into sprawling and overcrowded 'freehold' locations. Despite boom conditions in the economy, life in the cities was harsh, unemployment levels were high and

poverty was widespread with limited state intervention in the new residential areas. Crime rates soared along with the formation of urban gangs. Lodge (1983), writing of the 1940s in Sophiatown, claims that the new social conditions acted as an incubator for location gangs, who fed on the media myths of the glamour and ostentation of American gangsterism. By the late 1940s imported styles and names cluttered the streets of new African areas. Gangs with foreign names such as The Americans, Berliners, Koreans and the Green Archers all mapped out their respective territories (Coplan 1986: 163).

But the newly established Ma-Rashea was of a different ilk. Its headquarters lay in the predominantly Basotho suburb of Newclare, where living conditions were appalling. For this group there was no question of flirting with imported styles: the Ma-Rashea comprised a hardy group of unemployed Basotho migrants who clung tenaciously to their rural identities. They wore black trousers and blankets, and carried fighting sticks (melamu) rather than guns and knives. Lodge (1983: 176) maintains that their actions and the use of rural symbols to construct group identity can be explained without recourse to ethnic generalisations. He argues that their greater freedom of movement (as non-Union citizens), and their limited job skills, family and capital resources all moulded their distinctive style and mode of operation.

Much like the District Six gangs of the 1960's described by Pinnock (1984), 'The Russians' of Newclare were chiefly engaged in extortive protection rackets. Huddleston (1956) writing of the Ma-Rashea in the 1950s claims that their purpose was simple and their methods effective. Protection was offered for a fee. They

would protect storekeepers and workers against tsotsis and other criminals and in this role they were seen as differing from ordinary gangsters. In 1955 Drum magazine made the following analysis of their actions:

Funnily enough, the greatest obstacle to these gangs is the behaviour of the 'Russians'...The joke is that the 'Russians' are not primarily interested in organised crime. They do not care much for robbery and theft. They are just thugs that make life tough for ordinary people and gangsters alike.

Some of the big boys behind the scenes wonder how they could organise the 'Russians' to serve their ends. But this is not likely to be achieved because the 'Russians' are an independent lot...(Guy & Thabane 1984: 24)

In one sense the Ma-Rashea, like the earlier Amalaita groups described by van Onselen (1982) and Coplan (1986), were the predecessors of the modern township vigilantes. They were politically unscrupulous and sold their services to the highest bidders. In 1955, for instance, at the time of the Evaton bus boycotts when popular resistance to the state-run transport service was at its height, the Ma-Rashea came out in defence of the bus owners, assaulting picketers and protecting commuters (Lodge 1983: 172).

Although conditions in the cities have changed and relocation has divided communities, the Ma-Rashea have managed to survive these dislocations. But, in the process, they have lost organisational unity. Gang cells have been scattered across the Reef and into other cities with large Basotho minorities such as Welkom. This loss of territorial coherence spawned competition between new cells now constantly engaged in tussles for regional supremacy. Yet, despite organisational change, the Ma-Rashea appears to have remained true to its original aims - it still exists primarily as a protection racket [3].

It is against this backdrop that one can interpret the operation

of Ma-Rashea groups in the Qwaqwa taxi trade during 1983 and 1984. As I have pointed out earlier, the advent of the car-hire movement in competition with Majakathata taxis marked a turning point in the taxi trade in Qwaqwa. For the first time long-distance operators were faced with significant competition: Competitors who had found a solution, at least temporarily, to police harassment. The new movement had its base in the major urban areas. It was considerably more capitalised, centralised and professional than its competitors. Confrontation seemed inevitable as Majakathata mobilised to prevent its competitors from loading their vehicles in Qwaqwa. The new associations for their part attempted to control taxi ranks in the cities. But since this could not be achieved by taximen alone, it became increasingly necessary for them to employ allies. In Qwaqwa this protection, as we have already seen, could be achieved through agreements with the local administration. The situation in urban areas differed in that both administrators and the police alike took a strong stand against taxi pirating and were not tempted by association bribes. As a result competition in these areas could not be regulated peacefully from within the urban bureaucracy. Taximen were forced to seek other strategies to regulate competition, and in this context alliances with street gangs presented themselves as a viable option for the car-hire movement in its attempt to muscle its way into the market.

From the middle of 1983 the Ma-Rashea became an important feature of the homeland taxi trade. The initial contacts with the Ma-Rashea were struck by the Welkom car-hire company Mohahlaula in about June 1983 in response to resistance from Majakathata taxis on the Maseru route. Majakathata owners were effectively preventing Mohahlaula from loading. According to informants,

Mohahlaula reacted by employing a Welkom based Ma-Rashea group to attack the rank at Ficksburg in September 1983. In the ensuing 'battle' the Ma-Rashea were driven out of the town and, shortly afterwards, resolved not to venture too close to Majakathata strongholds. But these events did not deter Mohahlaula owners from operating in Qwaqwa. In fact, it was widely alleged that the Ficksburg incident served to heighten competition at the Qwaqwa rank. Between October 1983 and January 1984 Ma-Rashea hit-groups policed the roads between Virginia and Welkom, using ambush as their tactic. Majakathata responded by travelling in convoy under the protection of vigilantes assembled in Qwaqwa. The stalemate was broken at the end of January 1984 when the first Ma-rashea attack on the Qwaqwa rank was planned. News of attack, however, reached Majakathata members who informed the police and about thirty Ma-Rashea were arrested on their arrival in Phuthaditjhaba. The local police, by this stage themselves reaping profits from the taxi business, had a vested interest in establishing a truce and called the leaders of the two associations together to sign a non-aggression pact in Qwaqwa. This agreement was not entirely effective though and by February local vigilantes and the Ma-rashea continued to operate behind the scenes.

✓ Developments on the Germiston line took a similar course. However, here it was not the car-hire companies that initiated conflict, but a break-away group of Majakathata owners. In April 1984 four leading taximen disassociated themselves from the Majakathata affiliate, Koloi Tsa Baeti, because they felt that the association was cluttering the line with newcomers. According to the Majakathata owners this was a breach of the association code and a punishable offense as such. The break-away group had

anticipated that Majakathata might take retaliatory action and used the links their leader, Mareka, had with the Sowetan underworld to make contact with the Ma-Rashea of the Phiri location. Mareka and his associates employed the Ma-Rashea to protect their interests, but the Koloi Tsa Baeti was adamant that their credibility rested on taking action against all dissidents. In May they made contact with the Germiston Ma-Rashea, a faction which had for some time been engaged in struggles with the Soweto group. As in the case of the Mohahlaula/Majakathata conflict, the situation on the Johannesburg line soon reached an impasse: Koloi would harass their competitors in Phuthaditjhaba, while the Phiri Ma-rashea would do the same to Majakathata taxis travelling in and around Soweto. Yet while this form of badgering remained widespread in February 1984, the clashes between groups were not without their high-water marks. In June a gun battle involving both gangs and taximen broke out in the streets of Alberton. Later, in September a similar incident occurred at the Sedibeng garage in Qwaqwa. It seems that by this time the feuding had become self-perpetuating. By January 1985 taximen on both sides were complaining that they had become wary of the Ma-Rashea using their resources to settle their own disputes. One Majakathata owner explained:

I think that many of the Koloi people are getting tired of working with the Ma-Rashea because they are starting to exploit us. Every month they demand something else. Last month it was money to take the body of one of their member to Lesotho for burial. I have no quarrel with the Phiri Ma-Rashea. This fighting must stop!

How do we conceptualise these alliances? At first glance they appear to involve relationships between groups rather than individuals. They also, at one level, present themselves as simple contractual relations which lack social depth. But when

considered more closely, these relations, although manifest as alliances between collectivities, were indeed constructed between individuals with prior social contact. They were built out of instrumental friendships between taximen and street gangs. In the case of the Johannesburg taximen, for instance, it was alleged that Mareka's relationship with the Ma-Rashea was established through earlier contact with the Sowetan underworld. He had lived in Soweto before coming to Qwaqwa in the late 1970s and was believed to have been engaged in numerous illegal commercial activities which involved Ma-Rashea support. Similarly, the initial contact between Koloi and the Germiston Ma-Rashea was made by an ex-gang member who had subsequently entered the taxi business. Like Mareka, he mediated in all agreements with the street gang and stood at the centre of the relationship. In time other taximen who worked closely with the Ma-Rashea also established independent social relationships with gang members. In the case of Welkom taximen, it appears that the relationships set up with the Ma-Rashea more closely resembled a purely economic transaction between a white attorney at the head of the Mohahlahuala association and gang members. The relationship between the Welkom Majakathata and its supporters stood in contrast to this, insofar as the support Majakathata mobilised on the Welkom line came primarily from friends and kin.

Yet in classifying these as relations of patronage in this way, I am not suggesting that they are static. In fact, as the above quote suggests, they were subject to frequent power shifts as time passed. Initially it seemed that these gangs were weak junior partners in simple contractual relationships. They performed their service for a set fee. However, as the relationship between the parties deepened and the Ma-Rashea came

to perceive the dependence of taximen on their services, their demands became more exacting. As clients they began exercising a considerable amount of leverage and by 1985 had managed to equalise their transactions to the extent that the taximen were beginning to reconsider their association with the Ma-Rashea. Some owners spoke of developing contacts with new groups which could do the same job more cheaply, while others, such as the owner quoted above, wished to withdraw from such relationships altogether. He claimed: "We are losing more money on the Ma-Rashea than we would lose if Mareka was allowed to run his own show". But other owners feared that this kind of concession would undermine the basic ground rule of the business. In addition, those in close contact with the Ma-Rashea pointed to the difficulty of withdrawing their support and they maintained that pulling the carpet out under the Ma-Rashea could prove counter-productive if the gang decided to retaliate.

The predicament of these taxi owners had become deeply engrained as the trade depended on escalating violence and bureaucratic protection. In this respect the conditions in the taxi trade were not dissimilar to those described by Catanzano (1985) for rural Sicily in the mid-nineteenth century. Here, rural entrepreneurs who were without representation within the state were forced to rely on bands of campieri (guards) to defend their assets against competitors. In this system bureaucrats provided limited protection for entrepreneurs because they could not guarantee public order. Catanzano (1985) maintains that violence became the chief means by which economic competition was regulated. He argues that a kind of "broker capitalism" emerged based on relations of patronage. Market transactions were no longer peaceful, but dominated by the use of predatory and violent

methods. "Business undertakings", he contends, "had a temporary life in that the possibility of violence precluded long-lasting trust and thus long-term investments" (1985: 41). The predicament of Sicilian entrepreneurs, as described by Catanzano (1985), was in many ways similar to that which characterised long-distance owners in Qwaqwa trapped in the claws of two different bureaucracies.

Conclusion

This chapter has dealt with the relationships between bureaucrats, traders and lumpenproletarian elements. It has attempted to come to terms with the nature of these relationships through the prism of patronage rather than through the use of concepts developed for the analysis of horizontal solidarities and alliances. The reason for this has been that the relationships described above neither represent authentic class alliances - they are still too personalised and fragmented - nor do they necessarily point in that direction. They have been constructed to obtain limited economic and political objectives and have promoted rather than contained intra-class conflict.

In this sense they are analogous to the relationships which characterise the activities of the co-opted segments of the new African elite in the urban areas. This elite, in the face of mounting political opposition, has increasingly resorted to patronage as a means of mobilising support and of achieving short term objectives. This has been strikingly demonstrated in Haysom's (1986) report on the relationships between community councillors and right-wing vigilantes. These relationships, like the ones described in this chapter, are constructed to bolster

the power of local 'bigmen' and curtail competition for scarce resources. They individualise political power and mitigate against class solidarity. Yet Haysom (1986: 138) warns that it is important not to see these relationships as conspiratorially orchestrated since they are closely linked to the structural position of the police and black local authorities in the current phase of resistance to apartheid.

In the same way it is important not to see relationships between traders, bureaucrats and street gangs in Qwaqwa merely at face value. Li Causi (1975) in reviewing the literature on patronage criticises anthropologists for analysing these relationships purely in terms of the actors' perceptions. This, he argues, decontextualises these relations because it separates them from broader relations of power and exploitation. To be sure, my argument above is not that the emergence of patron/client type relations are undermining relations of domination and economic privilege, but rather that it serves to reproduce them in a context where class solidarities are weak.

Footnotes

[1] Haysom's (1984) book Rule by the Whip provides an excellent description of the kind of arbitrary powers available to homeland governments for the suppression of political opposition. The study is unfortunately limited to the Ciskei.

[2] Haines, Tapscott et al (1984) in their paper The Silence of Poverty provide an outstanding analysis of political apathy in the Transkei by considering the extent of chiefly control of local resources. Segar (1986) has added weight to this analysis with findings from the Matatiele district. She argues that the historical depth of rural repression in St Paul's village has generated notions of racial inferiority and powerlessness.

[3] The tenacity of the Ma-Rashea in a context where other gangs have disintegrated, it might be hypothesised, lies in one crucial factor which separated them from the other gangs of the 1950s: they were comprised of single, unemployed migrants. As a result,

the basic gang structure was not necessarily critically undermined by Group Area removals, which spelt the demise of many other Mafia-type street gangs. A good example of the way Group Area removals influenced Mafia-type gangs in Cape Town is provided in Pinnock's work on District Six. He argues that the extended family base of Mafia gangs like the notorious Globe gang of District Six were seriously undermined when the suburb was demolished and families were broken up and dispersed across the Cape Flats in the 1970s. In the new environs of Bonteheuwel and Hanover Park these gangs could not be reconstituted and eventually gave way to new gang structures. Precisely the same conditions seem to lie at the basis of the demise of Sophiatown gangs which also operated from extended family situations. The notable exception to this rule, as Lodge (1983) has observed, were the Ma-Rashea gangs which were constructed as quasi-chieftaincies based on rural affiliations. The rural life in Lesotho has been far removed from urban dislocations: unemployed migrants could have been moved without disrupting their imaginary models of the countryside.

CONCLUSION

At the outset of this study it was suggested that the literature on the homelands has dealt almost exclusively with the Transkei. Studies of class formation were seen to reflect this pattern. One of the aims of this study, therefore, has been to broaden this focus by considering the experiences and responses of small traders and taximen in Qwaqwa. In view of this objective, it seems appropriate that the study be concluded on a comparative note.

In comparing the emergence of a commercial petty bourgeoisie in Qwaqwa and the Transkei, it is evident that there are striking differences in both the timing and the form that this process took in both areas. In the Transkei the creation of commercial opportunities for Africans, although initiated as early as the 1930s, only began to occur on any significant scale after 1960 with the creation of the Xhosa Development Corporation (XDC), which aimed to transfer the ownership of white trading stores to Africans. Between 1965 and 1975 the XDC handed over 562 of the Transkei's 653 white trading stations, issued 692 business loans and ensured that an average of 150 trading licences were granted to blacks annually. By 1973 the total number of African traders in the Transkei had increased fivefold over the preceding decade (Southall 1983: 169). These initiatives during the 1960s and early 1970s set a precedent for state intervention in the Transkeian commercial sector. The South African state, through its local representative the XDC, acted as the driving force behind the creation of this local commercial petty bourgeoisie. Black traders were initially resentful of the XDC presence, but

became more accepting of the Corporation once local Africans had been incorporated into its administrative structures and given some control over business licensing. The relationship of dependence that had developed between African traders and the XDC was perpetuated through the establishment of its successor body the Transkeian Development Corporation after 'Independence'. The greater degree of involvement of Africans, especially in the upper echelons of the Corporation, won the support of the Transkei Chamber of Commerce. This created the climate for close collaboration between local businessmen, the Transkei government and the South African state. Thus, Southall argues that there was a convergence of commercial and political interests in the Transkei after 'Independence'.

In contrast to the considerable success achieved by the XDC between 1965 and 1975 in inaugurating a commercial petty bourgeoisie in the Transkei, it was noted in Chapter One that the local equivalent in Witsieshoek, the BIC, played an obstructionist role in its dealings with local entrepreneurs. In 1965 the Corporation undermined a number of local dairy co-operatives by placing them under state control, in 1967 it crushed the long-standing independent bus movement in Qwaqwa and in 1974 shut all independent brickyards in the reserve. Moreover, in the period prior to 1975 only one white trading store was expropriated. This situation was aggravated by the restrictive role played by the Harrismith Municipality in the field of business licensing, especially in the early 1970s when white businessmen profited from the expanding consumer market in Qwaqwa.

These developments resulted in the widespread rejection of the

role of the South African state in Qwaqwa. Complaints were not confined to traders, but also extended to the local tribal authorities, who had effectively been excluded from the business licensing bureaucracy - a situation the XDC had been careful to avoid in the Transkei. These objections were reflected at the party political level in the build-up to the 1975 Qwaqwa elections, with the Dikwankwetla party claiming that one of its key objectives was to put an end to BIC tyranny in the homeland. It claimed that it would set up an independent Qwaqwa Development Corporation committed to the interests of black entrepreneurs, and would take full responsibility for ensuring that business licenses were fairly distributed. Both of these objectives were realised immediately after the party came to power in 1975. The exclusion of central state intervention in the field of business licensing was achieved by transferring this process directly into the hands of the Minister for the Interior and the Qwaqwa Cabinet. This created a very different situation to that which existed in the Transkei, where the process of political transition through self-government into 'Independence' left the central state via its representatives in the Transkei Development Corporation (TDC) very much in control of the allocation of licences and loans. Indeed, with a large number of local traders indebted to the Development Corporations, the Transkei government was naturally reluctant to ostracise this body, lest they withdraw financial assistance from an important segment of their political constituency.

In Qwaqwa, where no pre-existing relationship of dependence existed, the Dikwankwetla party adopted a more oppositional role to state intervention in the business sector by attempting to set itself up, politically, as the benefactor of small business. In

the period after 1976 it sought to win political credibility by issuing business licences virtually on demand. Yet, at the same time, through the creation of the Qwaqwa Development Corporation the South African state remained influential in the homeland. This was seen in 1977 when it entered into a number of Tripartite Agreements with white wholesale companies. These agreements provoked resistance from local traders who demanded that Dikwankwetla reaffirm its commitment to black commercial advancement by curbing the activities of the QDC. However, the ruling party was not empowered to implement such a move and their failure to check QDC intervention resulted in growing tensions between the commercial and political elites in Qwaqwa. These tensions were heightened in the late 1970s with the announcement that the QDC was embarking on an elaborate shopping centre scheme, intended to accommodate large white retailing concerns in the area. Growing tension led to the establishment of formal political opposition to Dikwankwetla in the 1980 elections. Thus, by comparison with the Transkei, where Southall (1983) suggests a convergence of the political and commercial elite with the creation of the TDC, the equivalent development in Qwaqwa caused serious ruptures between these groups.

The intense political opposition of small traders to Dikwankwetla, while related to the party's initial attempts to placate traders as a political constituency, was also based on their experience of the impact of white capital in the homeland. In contrast to the Transkei or Kwazulu, where the introduction of white chain stores in selected urban areas had little impact on the vast majority of rural traders, these stores threatened the entire general retail trade in Qwaqwa. Profits plummeted dramatically in this sector after 1980, wage labourers were

retrenched in favour of kin, and credit networks were extended to retain the custom of rural clients. Similar conditions were seen to exist in other commercial sectors in Qwaqwa. Commuter and local taxi owners faced growing competition from the rapidly expanding Setsokotsane bus service, which offered heavily subsidised fares. In the long-distance pirate taxi-trade the existing pressures were mainly of an extra-economic nature in the form of growing police harassment. The shebeen business, which in the late 1970s existed as a fairly lucrative sector for those individuals with some initial capital, also declined after 1980 with the establishment of a number of local bottlestores.

The only category of operators in the sample that were able to escape the mounting pressures in key economic markets were those specialised traders who existed in a 'benign relationship' to white capital. With the stores located alongside the large supermarkets in the QDC shopping centre they were able to feed off the dense flow of consumers that passed through these centres daily. For these owners the selective expansion of white capital in the homeland promoted accumulation. In the 1980s they formed the only collaborationist segment of the local commercial petty bourgeoisie. They dominated the new Qwaqwa Chamber of Commerce, which sought a political compromise with the Dikwankwetla party, and were in the process of working their way onto the QDC Board of Directors. In 1984 the Qwaqwa Chamber of Commerce had, for instance, used its influence in the QDC to enter negotiations with OK Bazaars and Checkers for the establishment of additional supermarkets in the Setsing centre. In 1984 this segment of the Qwaqwa commercial elite was only beginning to pursue the strategy that their counterparts in the Transkei had been engaged in since the mid-1970s.

With the explicit interest of the new Chamber of Commerce in promoting white capital investment in Qwaqwa in precisely the area that threatened rural retailers most, it is small wonder that these operators widely boycotted the new Chamber. Indeed, following the Dikwankwetla's hostile stance after 1980, these rural retailers found themselves in a precarious and isolated position. In 1984 they remained a voiceless group without leverage in the local state and without local class allies. Although they were in a similar economic position to taximen and some shebeeners their political interests differed significantly.

It was in the political interests of taximen to lend some support to the local regime because these were the only authority structures that were not out to criminalise their activities. The susceptibility of the local administration to bribery had, in fact, secured them a place in the local transport market alongside their legal counterparts in the commuter business, with whom they were allowed to share rank facilities. Some wealthier shebeeners, who also received protection from the local police, found themselves in a similar position. The sources of their political dissatisfaction lay beyond the boundaries of Qwaqwa and was directed at the central state, which refused to recognise the legitimacy of their activities.

In view of these observations it appears that although the largest section of the commercial petty bourgeoisie in Qwaqwa increasingly shared the same economic predicament of declining profits based on the expansion of state and capitalist interests in Qwaqwa, their political responses were being directed at different levels of domination. These responses were founded on narrow economic interests that stifled the development of a

broader class consciousness. Crosswick and Haupt (1982) suggest that while a class consciousness is uncharacteristic of the petty bourgeoisie fragmented by their economic heterogeneity, it does emerge in times of crisis (ie. when this class is faced with the threat of proletarianisation). The political weakness of the commercial petty bourgeoisie in Qwaqwa, manifested in the growth parton/client relations, can be related to the diffuse (and often mask) structures of domination, but should also be seen in the context of the political disorganisation and lack of leadership provided by the working class in Qwaqwa. Analyses of the nineteenth-century European petty bourgeoisie (as provided by Marx and others), suggest that local and national working-class organisations played a critical role in sharpening the political consciousness of this class. In Qwaqwa it was evident that although traders were able to identify strongly with the rural working class, with which they were intertwined through kinship ties, mutually dependent credit systems, participation in voluntary associations and common residential experiences, these relations remained of a personal rather than of a more broadly political nature.

In conclusion, it seems that by contrast with the collaborationist tendencies of the commercial petty bourgeoisie in the Transkei, its smaller and more disorganised counterpart in Qwaqwa displayed a different political profile, one based primarily on opposition to both the local ruling class and the South African state. In this context traders and taximen in Qwaqwa might be seen as a potentially progressive political force, but lack class allies to enable them to transcend their specific economic interests. This role could, however, change dramatically if the present cycles of urban unrest and strengthening working-

class organisation in South Africa were effectively able to penetrate the homeland through the system of labour migration.

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